

SURVEYS OF CONSUMER ATTITUDES

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Institute for Social Research

SURVEYS OF CONSUMERS

JANUARY 1989

The January 1989 survey was the 246th in a series of Surveys of Consumers conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results for the total sample will differ by no more than 5 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

While every effort is made to accurately measure consumer attitudes and expectations, factors other than sampling may also affect the accuracy of these (and other) findings. These factors may include effects of the question wording, the ability of respondents to articulate answers and opinions, refusal to participate in the survey, and incomplete coverage of the population. There are no standard measures of these effects, but their presence should be acknowledged when using these and all other survey data. While measurement effects are present in all surveys, a noted advantage of time-series data is that the non-sampling influences remain relatively constant across samples.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

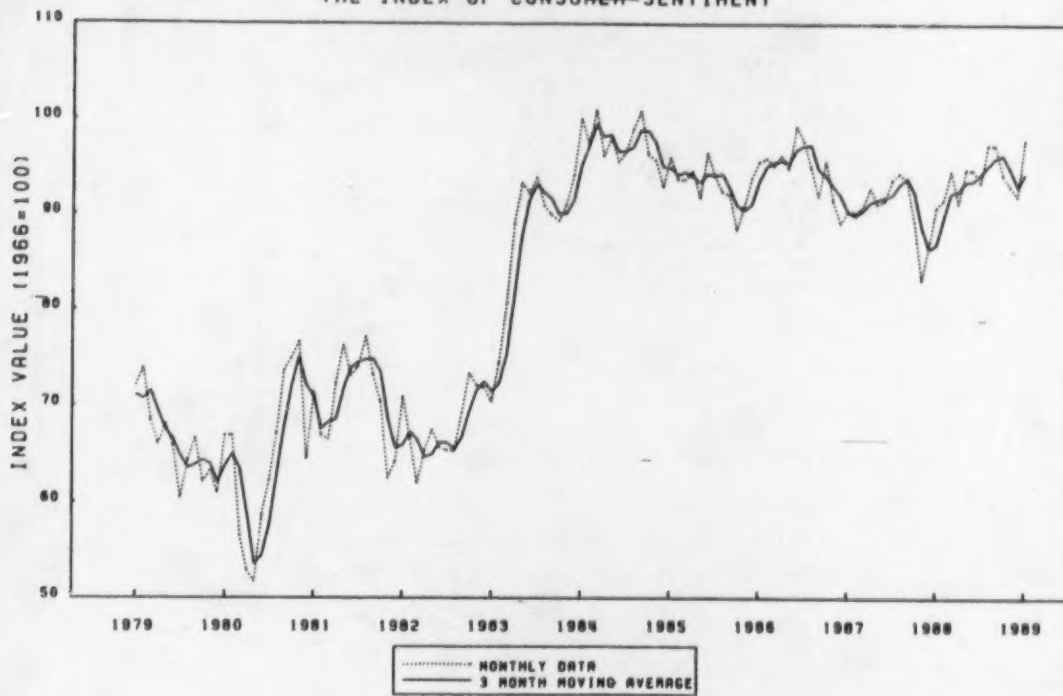


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

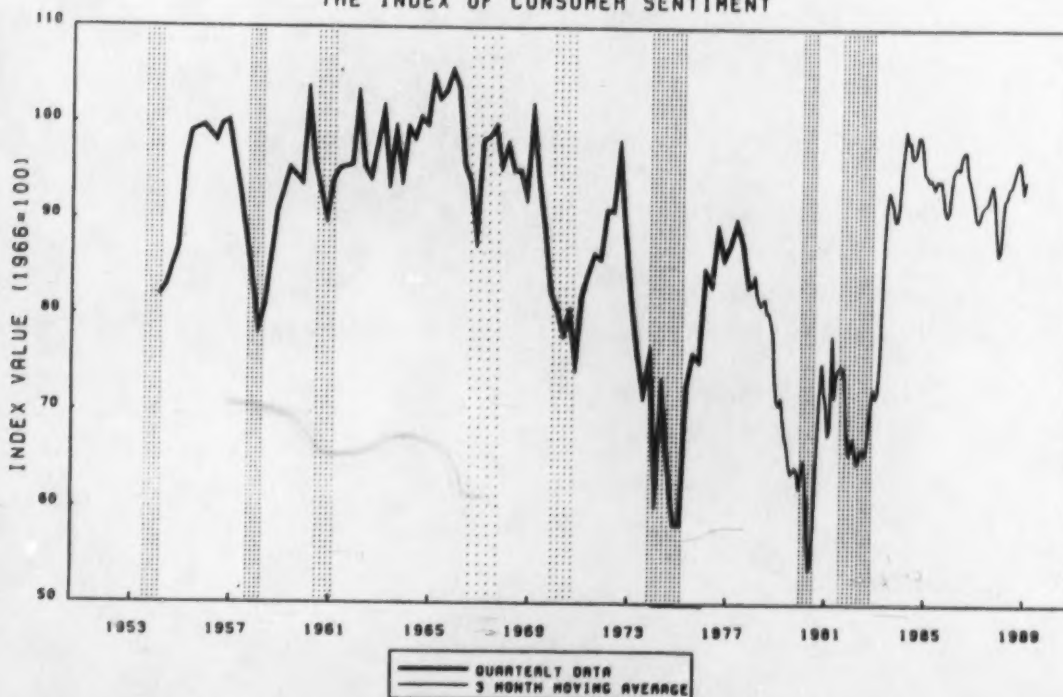


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over \$30,000	Families with incomes over \$40,000
January	1986	95.6	109.7	110.1
February	1986	95.9	107.8	109.0
March	1986	95.1	102.9	110.2
April	1986	96.2	106.9	111.0
May	1986	94.8	105.5	109.9
June	1986	99.3	110.6	112.4
July	1986	97.7	109.6	108.5
August	1986	94.9	105.0	106.6
September	1986	91.9	99.5	102.1
October	1986	95.6	102.8	105.5
November	1986	91.4	97.5	98.7
December	1986	89.1	98.7	98.3
January	1987	90.4	101.2	104.0
February	1987	90.2	103.6	103.6
March	1987	90.8	97.8	96.1
April	1987	92.8	98.5	103.1
May	1987	91.1	97.7	99.2
June	1987	91.5	102.9	102.9
July	1987	93.7	102.5	104.0
August	1987	94.4	104.4	109.1
September	1987	93.6	100.6	104.3
October	1987	89.3	99.9	101.8
November	1987	83.1	87.7	90.5
December	1987	86.8	94.5	96.1
January	1988	90.8	99.0	99.9
February	1988	91.6	98.1	100.8
March	1988	94.6	103.7	104.6
April	1988	91.2	99.1	99.6
May	1988	94.8	106.6	108.3
June	1988	94.7	102.3	102.7
July	1988	93.4	100.5	103.9
August	1988	97.4	105.1	104.2
September	1988	97.3	102.8	105.4
October	1988	94.1	103.0	103.7
November	1988	93.0	102.0	101.0
December	1988	91.9	97.0	99.5
January	1989	97.9	108.4	106.8

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

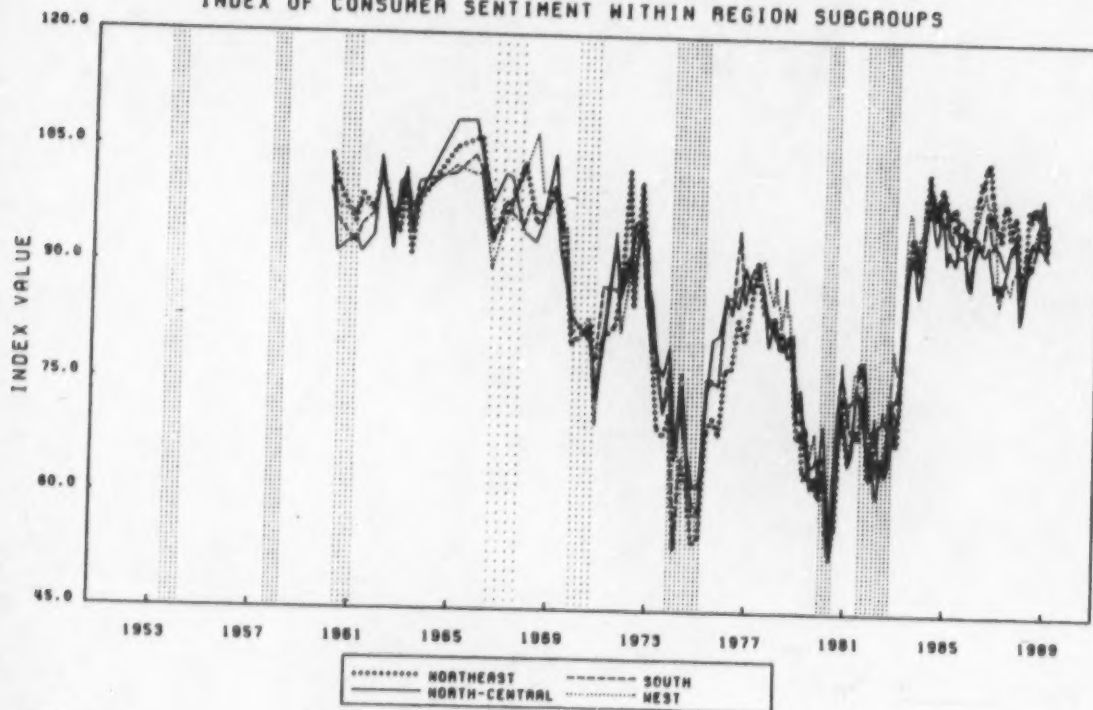


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

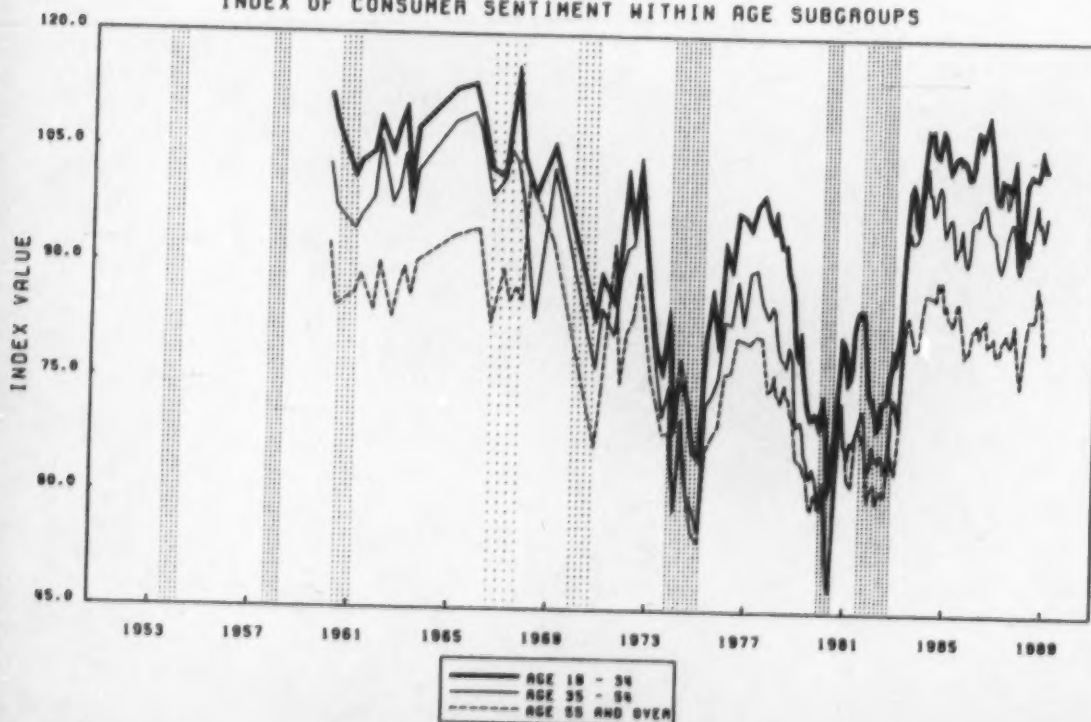


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY	CENSUS REGION				AGE OF RESPONDENT		
	North East	North Central	South	West	18-34	35-54	55+
January 1986	96.7	93.9	98.2	93.7	105.5	99.4	80.8
February 1986	103.4	92.7	93.2	98.0	109.7	94.1	83.8
March 1986	99.1	94.9	91.3	98.9	109.1	96.0	82.0
April 1986	102.7	92.3	94.4	99.5	104.8	97.8	83.6
May 1986	101.2	90.1	93.5	98.8	104.9	99.9	78.3
June 1986	106.2	94.1	98.5	102.7	112.7	97.9	86.6
July 1986	103.9-	93.4	101.7	94.7	108.2	98.6	84.5
August 1986	102.5	92.6	90.5	98.2	107.9	95.2	80.1
September 1986	94.6	87.0	91.9	95.8	106.3	92.4	76.1
October 1986	99.1	90.0	96.5	99.3	102.5	97.3	85.7
November 1986	95.8	85.6	93.2	92.3	99.5	94.2	80.4
December 1986	91.8	90.4	89.5	84.0	98.0	91.3	78.3
January 1987	98.1	85.9	96.0	83.9	99.9	91.2	78.4
February 1987	92.4	89.5	90.7	89.2	99.1	89.2	81.5
March 1987	104.6	86.3	87.5	91.2	106.4	89.3	77.7
April 1987	99.4	91.7	93.7	87.2	99.0	95.1	83.5
May 1987	91.3	92.9	92.1	87.1	99.5	92.8	82.1
June 1987	92.5	92.2	91.5	89.7	99.0	95.5	80.0
July 1987	100.1	95.7	93.8	85.2	103.0	97.8	80.2
August 1987	99.0	91.0	95.2	93.2	103.3	95.8	80.8
September 1987	92.2	94.7	94.9	91.5	104.1	95.4	82.6
October 1987	93.8	87.2	88.3	89.1	92.0	89.9	86.2
November 1987	83.9	79.6	87.9	79.4	91.7	86.6	70.8
December 1987	83.4	83.6	90.4	89.2	94.1	92.9	73.6
January 1988	99.8	91.3	87.6	88.5	98.3	93.6	80.1
February 1988	93.7	92.1	92.8	86.3	102.5	90.3	79.9
March 1988	101.2	92.9	91.6	95.3	103.5	98.9	80.0
April 1988	94.9	93.9	88.6	89.0	100.0	87.5	86.6
May 1988	99.1	95.5	91.1	97.3	104.2	95.4	84.7
June 1988	98.1	91.2	95.9	95.2	103.1	102.0	79.5
July 1988	98.3	92.0	91.8	94.0	99.6	93.0	86.6
August 1988	95.7	100.9	94.4	98.5	103.6	101.7	86.3
September 1988	95.2	101.9	93.3	97.6	106.1	93.3	91.4
October 1988	91.8	96.1	92.9	96.6	105.8	94.6	82.0
November 1988	95.8	90.6	90.5	98.9	100.4	94.3	82.2
December 1988	90.8	90.2	96.1	88.0	103.7	97.1	73.9
January 1989	96.9	94.2	99.9	102.2	105.8	100.3	86.7

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

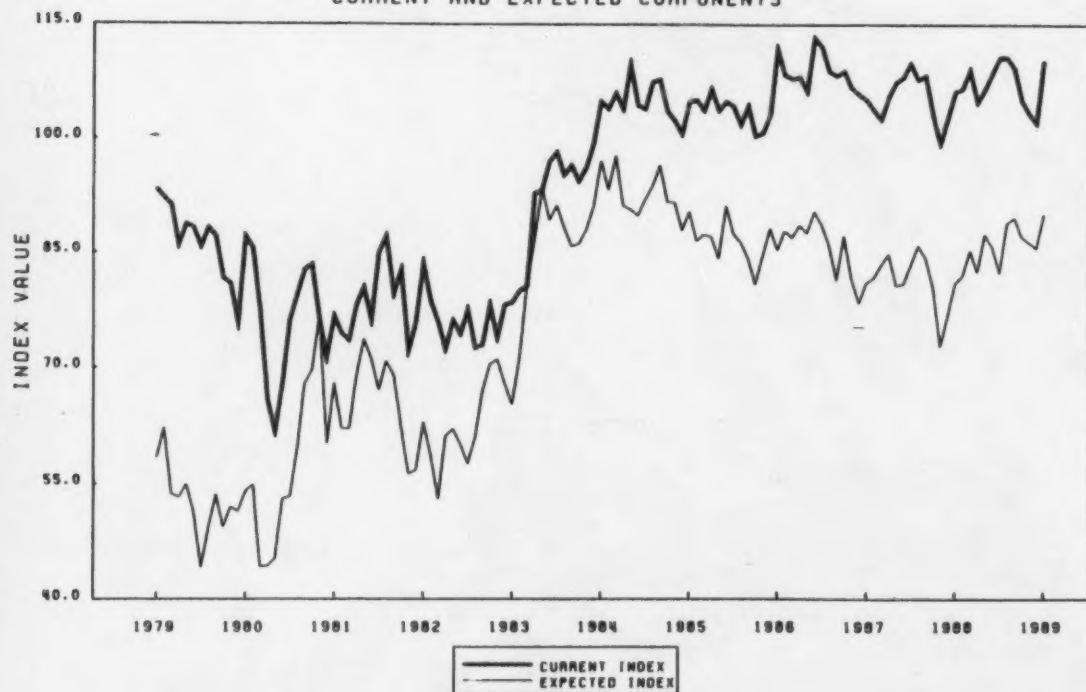


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

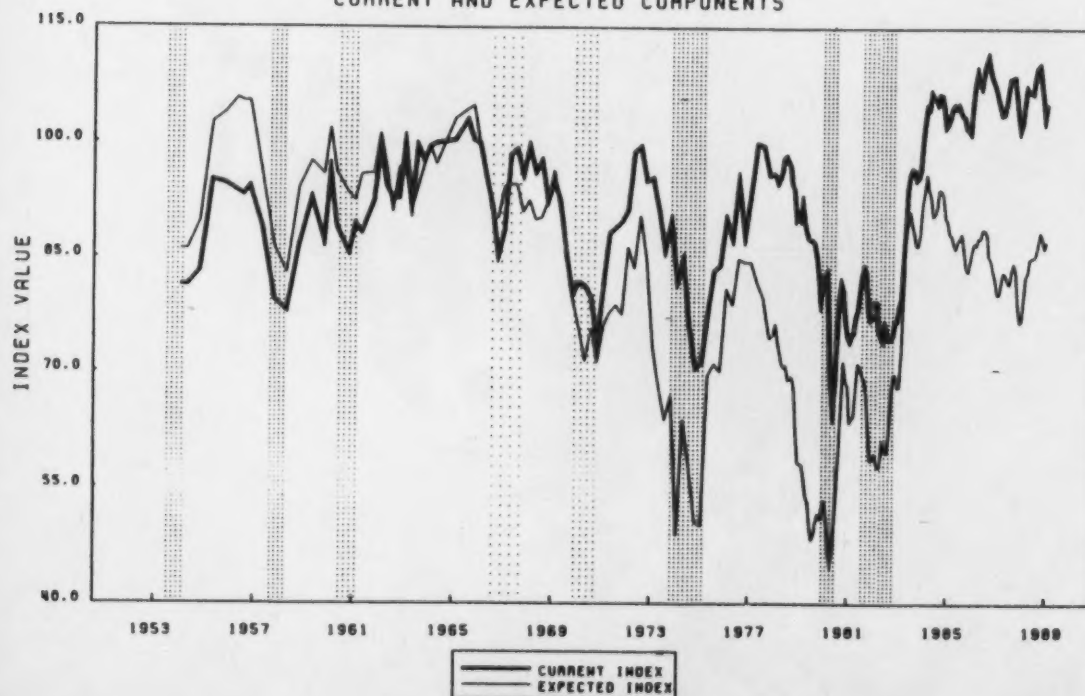


TABLE 3
COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

		INDEX COMPONENTS +						
		Personal finances		Business conditions		Buying conds.	Current Index	Expected Index
		Current	Expected	12 months	5 years			
DATE OF SURVEY		(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
January 1986		122	123	126	93	168	111.8	85.3
February 1986		117	123	132	98	164	108.4	87.8
March 1986		120	124	129	96	160	107.9	86.9
April 1986		120	128	133	94	160	108.1	88.5
May 1986		117	129	131	92	158	106.2	87.5
June 1986		124	127	136	100	170	113.3	90.3
July 1986		126	130	131	94	165	112.1	88.5
August 1986		121	128	123	94	161	108.9	85.9
September 1986		120	127	115	84	161	108.3	81.3
October 1986		120	127	124	99	162	108.9	87.1
November 1986		121	121	120	87	155	106.7	81.6
December 1986		116	127	104	83	158	105.8	78.3
January 1987		120	130	117	77	152	105.1	80.9
February 1987		115	126	117	84	153	103.7	81.6
March 1987		114	122	121	92	152	102.5	83.3
April 1987		116	127	116	97	158	105.5	84.7
May 1987		117	121	114	89	161	107.4	80.6
June 1987		120	122	113	89	161	108.1	80.8
July 1987		123	123	118	94	162	109.9	83.3
August 1987		122	127	125	93	157	107.8	85.8
September 1987		119	124	122	92	162	108.3	84.2
October 1987		118	128	105	90	149	103.1	80.4
November 1987		115	118	93	80	142	99.3	72.7
December 1987		119	120	98	89	147	102.7	76.7
January 1988		122	131	110	84	154	106.2	80.9
February 1988		122	130	108	90	155	106.6	81.9
March 1988		127	133	114	96	156	109.1	85.2
April 1988		117	125	117	89	154	104.8	82.4
May 1988		111	127	125	98	165	106.5	87.3
June 1988		119	129	121	95	163	108.6	85.7
July 1988		120	128	106	96	167	110.7	82.3
August 1988		127	127	125	105	160	110.8	88.8
September 1988		127	133	125	102	157	109.4	89.5
October 1988		114	124	129	97	158	105.0	87.0
November 1988		112	128	122	97	156	103.3	86.3
December 1988		114	127	119	98	150	102.0	85.5
January 1989		121	131	128	103	165	110.3	89.9

(1) See Table 4.

(2) See Table 6.

(3) See Table 15.

(4) See Table 16.

(5) See Table 21.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO



CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

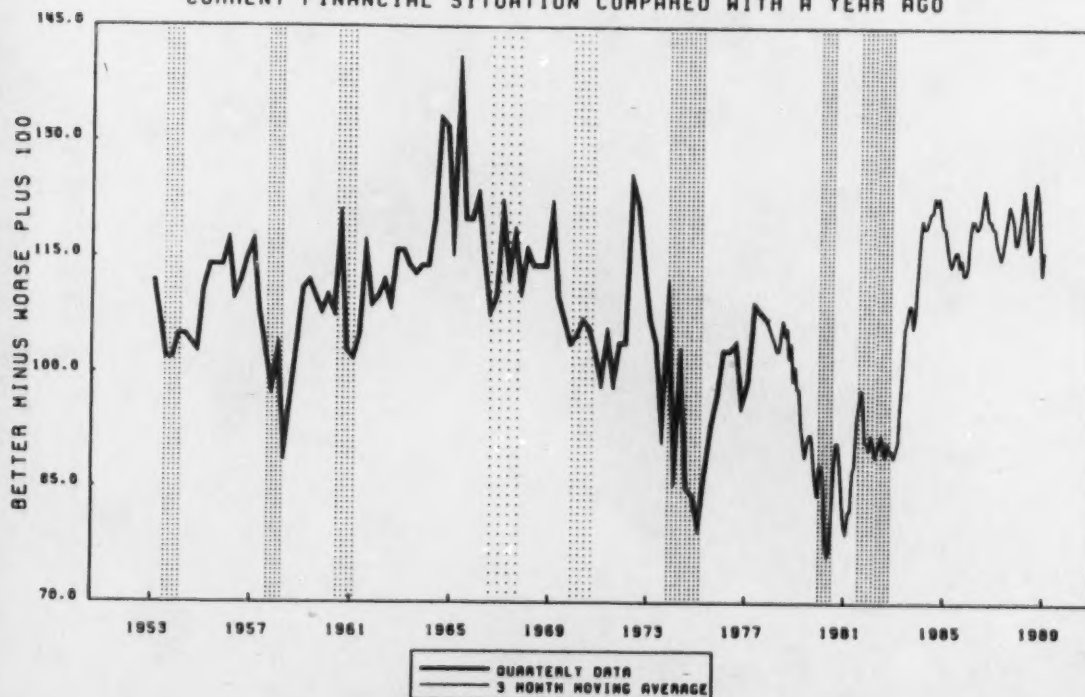


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
BETTER OFF	46%	47%	49%	41%	40%	43%	45%	50%	49%	42%	41%	39%	44%
SAME	29	27	29	34	31	32	29	26	28	30	30	36	33
WORSE OFF	24	25	22	24	29	24	25	23	22	28	29	25	23
DK,NA	1	1	*	1	*	1	1	1	1	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

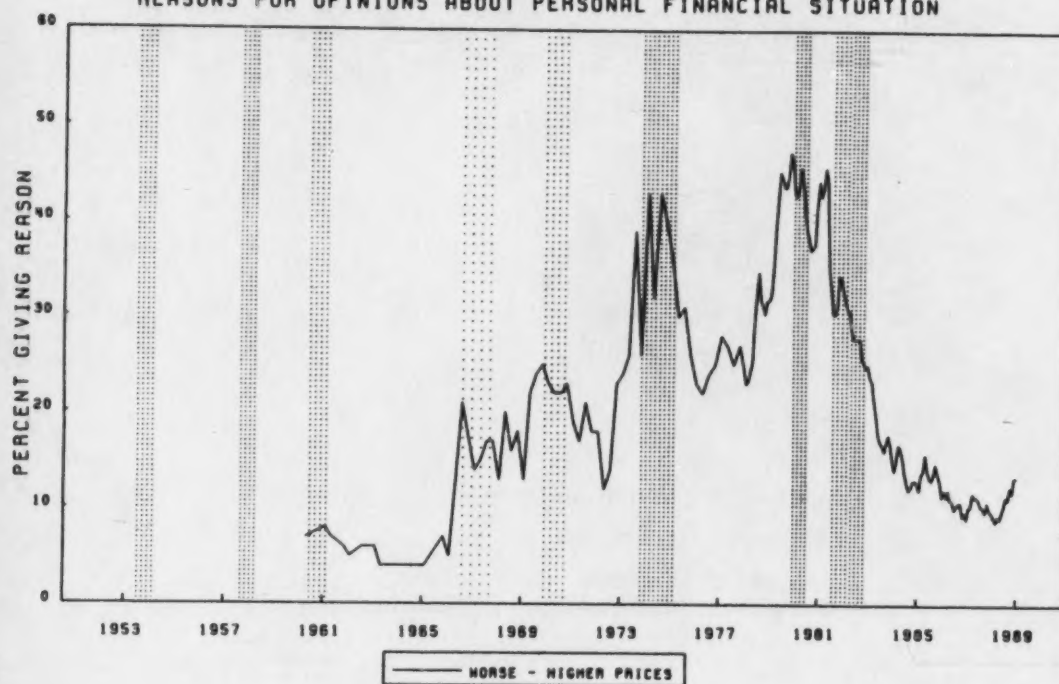


CHART 5B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

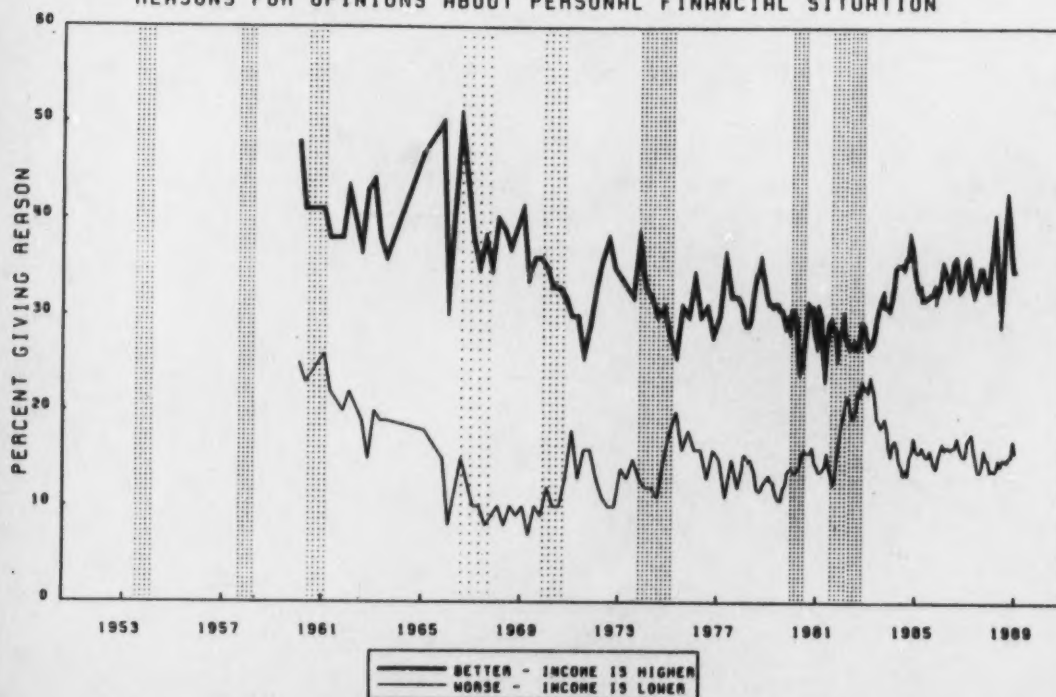


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
BETTER OFF THAN YEAR AGO:													
Income is higher	39%	39%	40%	30%	29%	32%	40%	45%	40%	34%	35%	35%	34%
WORSE OFF THAN YEAR AGO:													
Income is lower	13	13	15	14	16	13	16	16	12	18	16	17	14
Higher prices	7	11	8	9	10	10	11	13	9	15	11	14	15

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

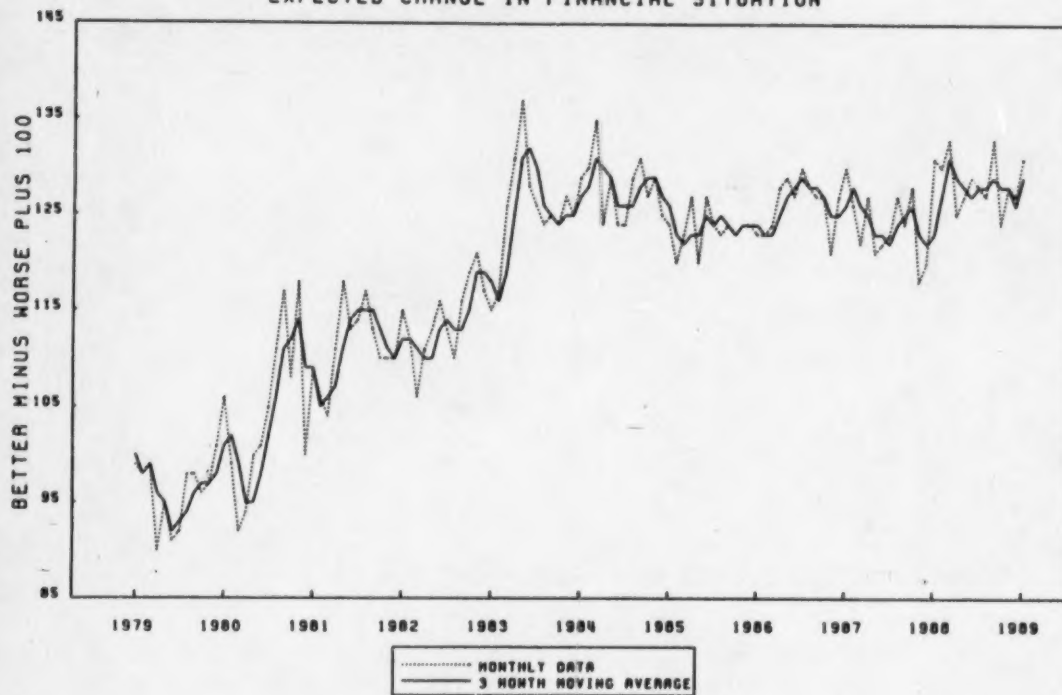


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

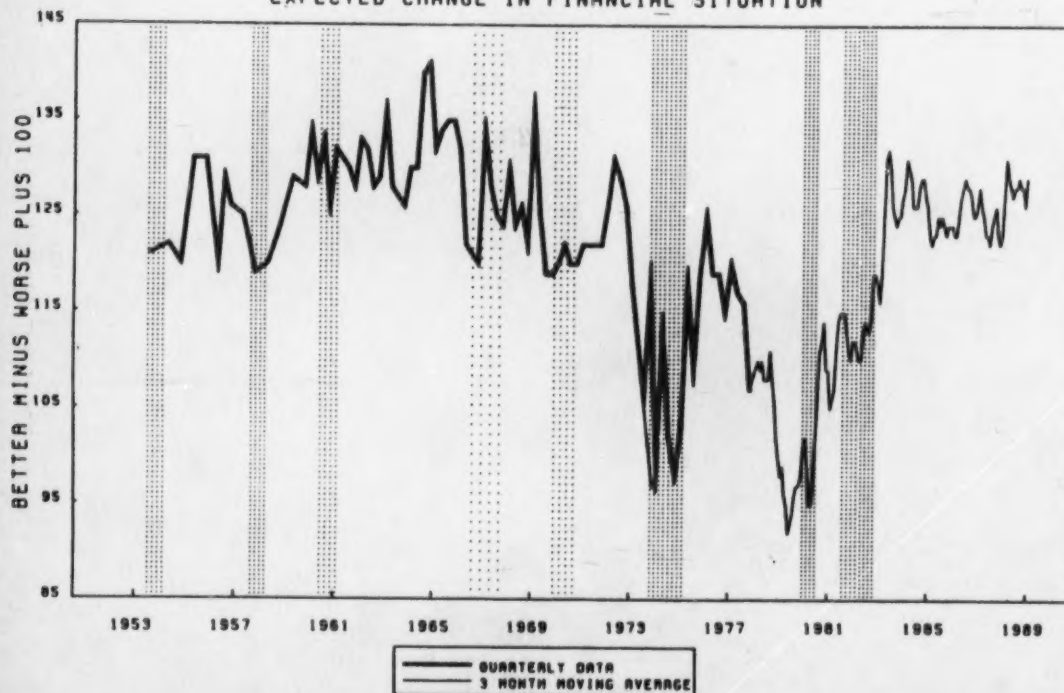


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
BETTER OFF	38%	39%	39%	34%	36%	39%	38%	36%	41%	36%	37%	39%	41%
SAME	53	48	52	54	52	48	48	49	47	48	49	46	47
WORSE OFF	7	9	6	9	9	10	10	9	8	12	9	12	10
DK,NA	2	4	3	3	3	3	4	6	4	4	5	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

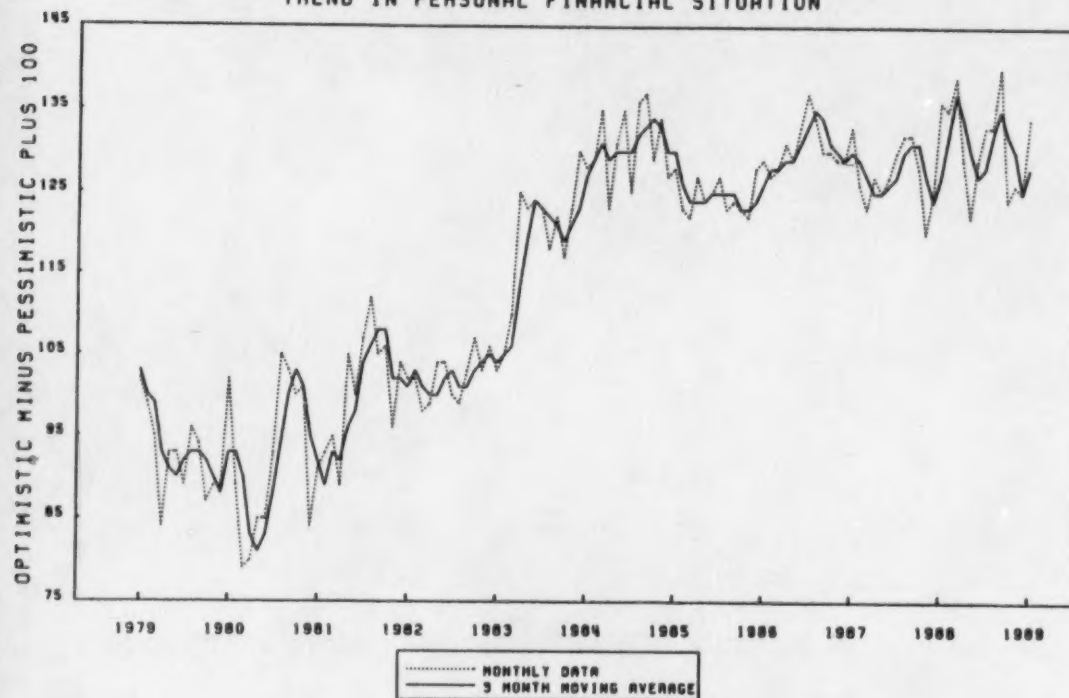


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

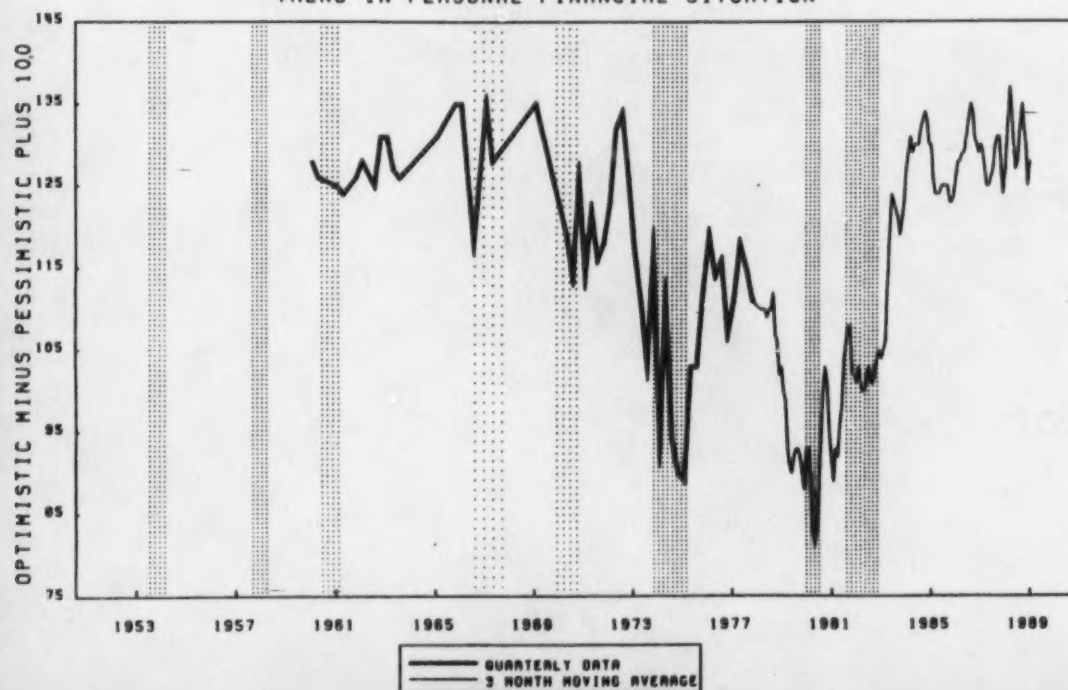


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	21%	20%	25%	18%	19%	24%	19%	25%	25%	20%	21%	22%	23%
Intermittant increase (b)	31	31	30	30	24	25	31	26	28	25	25	23	29
Remain unchanged (c)	19	15	17	20	21	19	16	16	17	18	18	20	18
Intermittant decline (d)	13	13	13	16	17	16	13	14	10	15	16	16	13
Continuous decline (e)	3	3	3	3	4	4	4	4	3	6	4	4	5
Mixed change (f)	11	13	9	9	13	9	13	8	12	11	11	11	10
DK,NA	2	5	3	4	2	3	4	7	5	5	5	4	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
 (b) Better/Same or Same/Better
 (c) Same/Same
 (d) Worse/Same or Same/Worse
 (e) Worse/Worse
 (f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
 MEDIAN EXPECTED CHANGE IN FAMILY INCOME

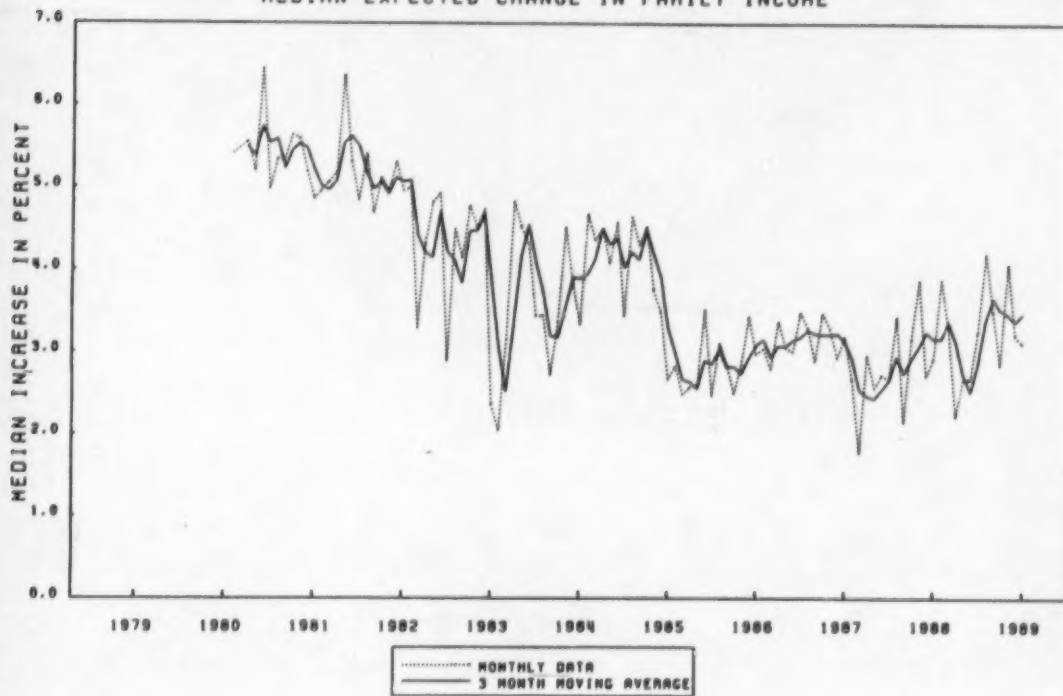


CHART 8 - HISTORICAL SERIES
 MEDIAN EXPECTED CHANGE IN FAMILY INCOME

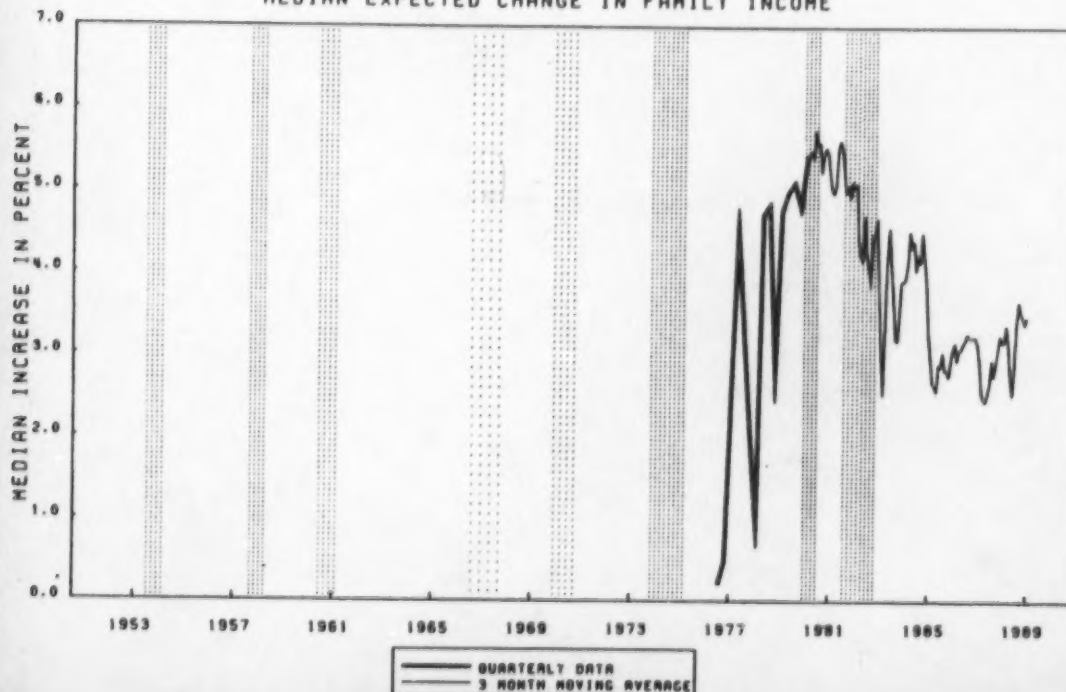


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
EXPECT INCREASE:													
1-4%	18%	16%	16%	16%	15%	15%	18%	14%	16%	16%	18%	21%	15%
5%	12	15	11	9	12	9	10	14	10	12	11	11	9
6-9%	7	8	7	6	7	7	10	9	8	6	9	7	10
10-24%	15	17	17	14	13	15	14	17	16	15	15	15	14
25% or more	6	5	7	6	9	6	7	5	8	6	7	6	8
DK how much up	4	2	2	6	2	5	5	6	6	5	7	4	4
EXPECT SAME	27	23	29	30	28	28	24	25	25	27	20	22	27
EXPECT DOWN	10	12	9	12	13	13	11	9	10	12	11	13	13
DK,NA	1	2	2	1	1	2	1	1	1	1	2	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

* : Less than half of one percent.

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

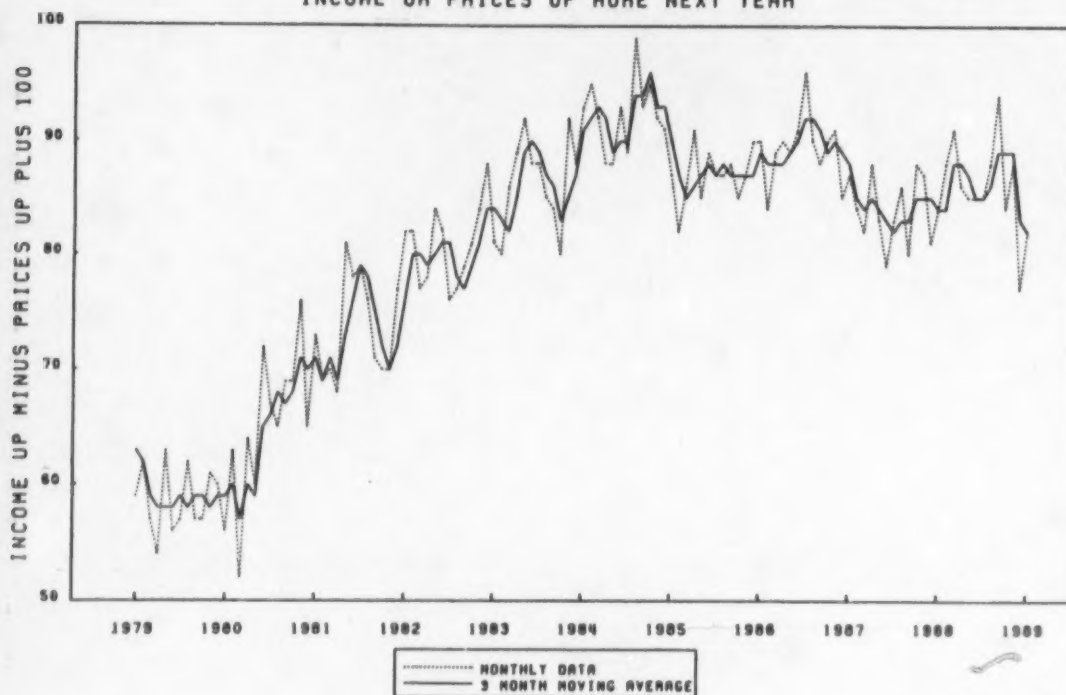


CHART 9 - HISTORICAL SERIES
INCOME OR PRICES UP MORE NEXT YEAR

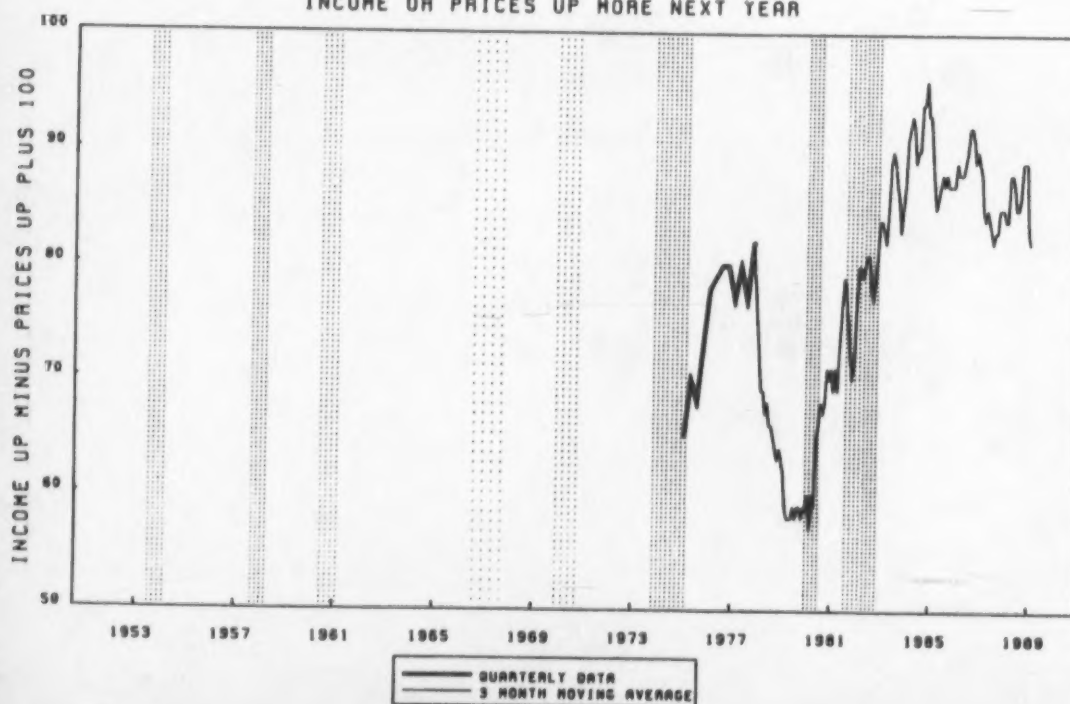


TABLE 9

EXPECTED CHANGE IN REAL FAMILY INCOME

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
INCOME UP MORE	19%	20%	22%	19%	19%	18%	19%	20%	25%	18%	21%	17%	19%
INCOME UP SAME	44	45	44	47	44	46	46	43	41	46	43	41	41
PRICES UP MORE	35	32	31	33	34	33	34	32	31	34	33	40	37
DK,NA	2	3	3	1	3	3	1	5	3	2	3	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 10 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

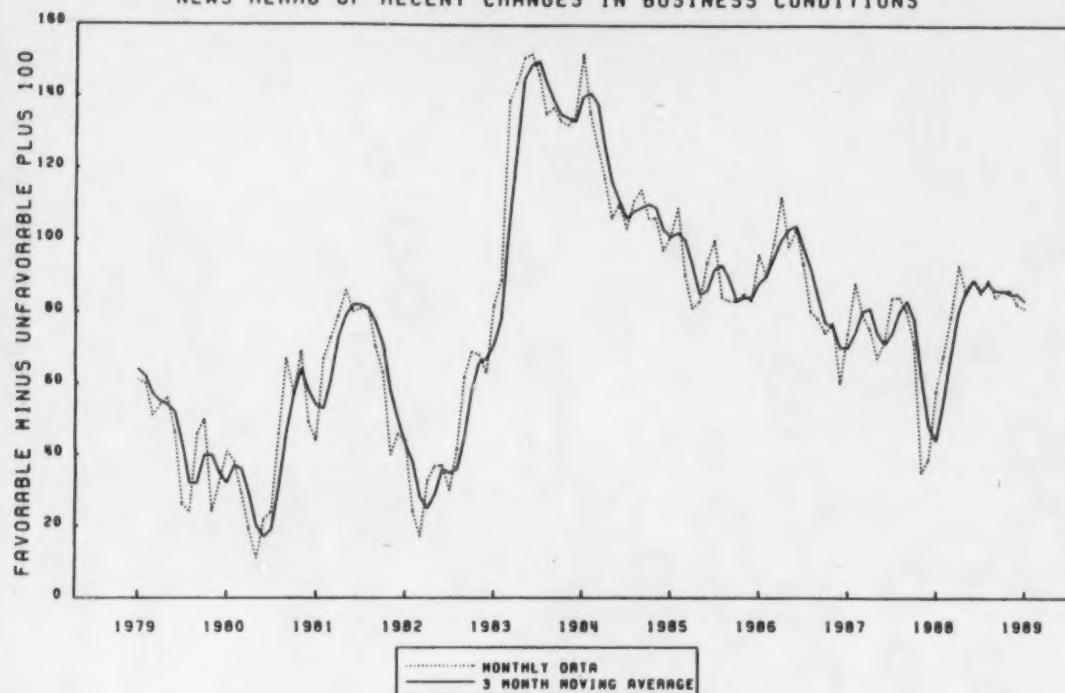


CHART 10 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

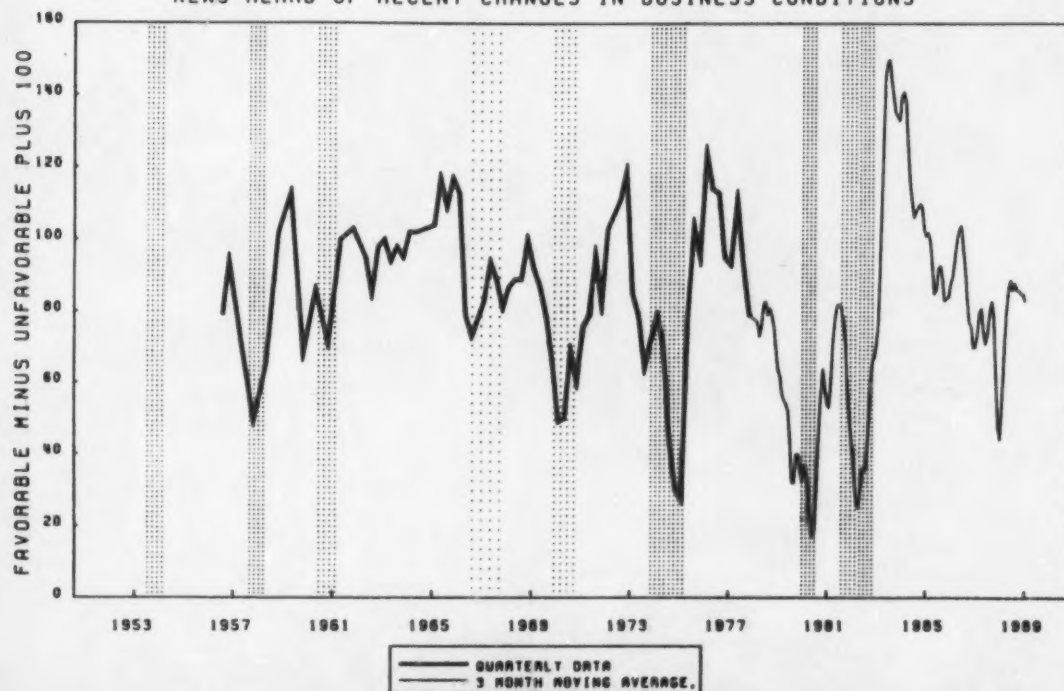


TABLE 10
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
FAVORABLE NEWS	23%	26%	29%	30%	33%	29%	29%	28%	32%	29%	25%	30%	24%
UNFAVORABLE NEWS	65	58	50	37	48	40	44	39	48	43	39	48	43
NO MENTIONS	41	42	45	51	44	50	50	53	46	52	54	50	55

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 11A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

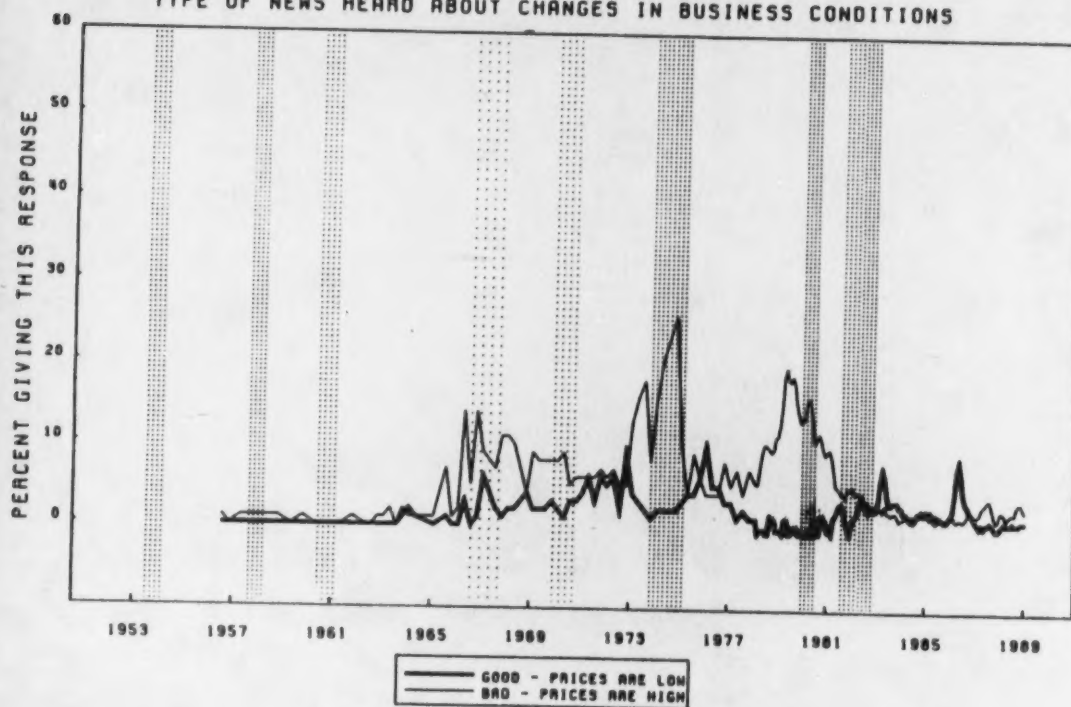


CHART 11B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

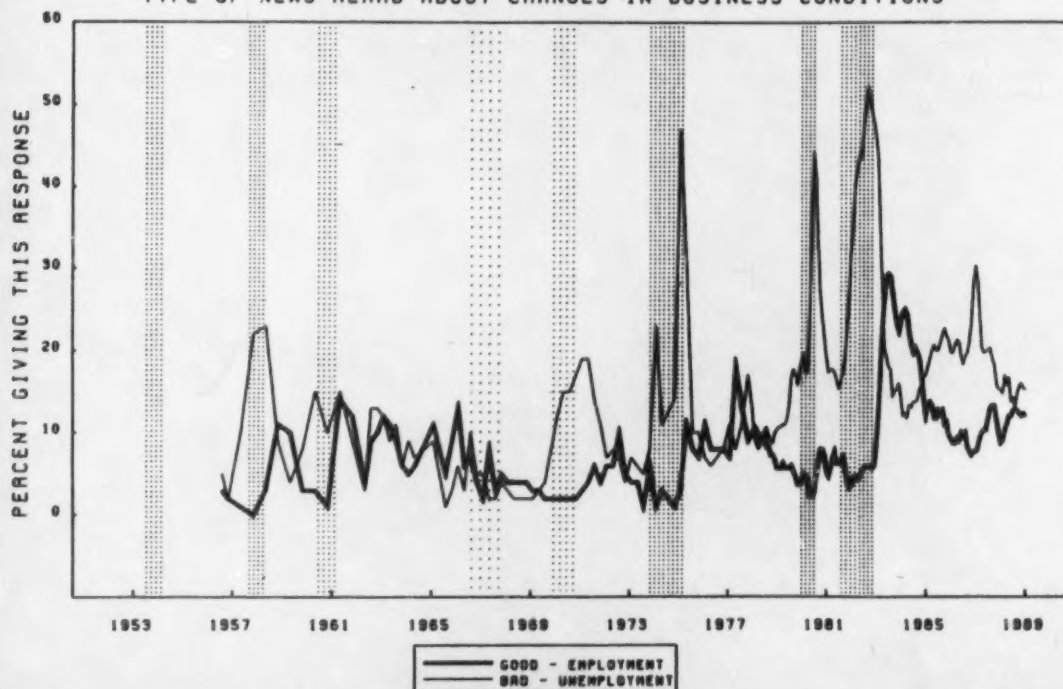


TABLE 11
SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
FAVORABLE NEWS:													
Government; elections	1%	1%	1%	2%	3%	2%	1%	2%	3%	2%	2%	4%	2%
Employment	9	11	11	11	14	11	13	14	11	12	13	12	11
Higher consumer demand	2	1	2	1	3	1	3	2	2	2	2	2	2
Lower prices	1	1	1	*	1	1	1	*	1	1	1	1	*
Easier credit	1	4	2	2	2	1	1	1	1	1	1	1	1
Stock market	*	1	2	3	2	3	3	1	2	2	1	1	2
Trade deficit	3	2	3	2	1	2	1	1	3	2	1	1	1
UNFAVORABLE NEWS:													
Government; elections	6	6	3	5	5	6	4	3	3	5	6	7	7
Unemployment	16	13	22	12	16	13	14	12	18	17	13	16	17
Lower consumer demand	4	3	1	3	3	2	2	3	3	3	2	2	2
Higher prices	4	1	1	2	2	2	2	2	5	3	2	3	2
Tighter credit	1	2	1	1	4	3	3	7	6	4	2	6	4
Stock market	21	18	10	7	7	6	5	3	2	3	3	4	1
Trade deficit	6	4	3	3	4	3	1	2	1	1	4	2	2

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 12 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

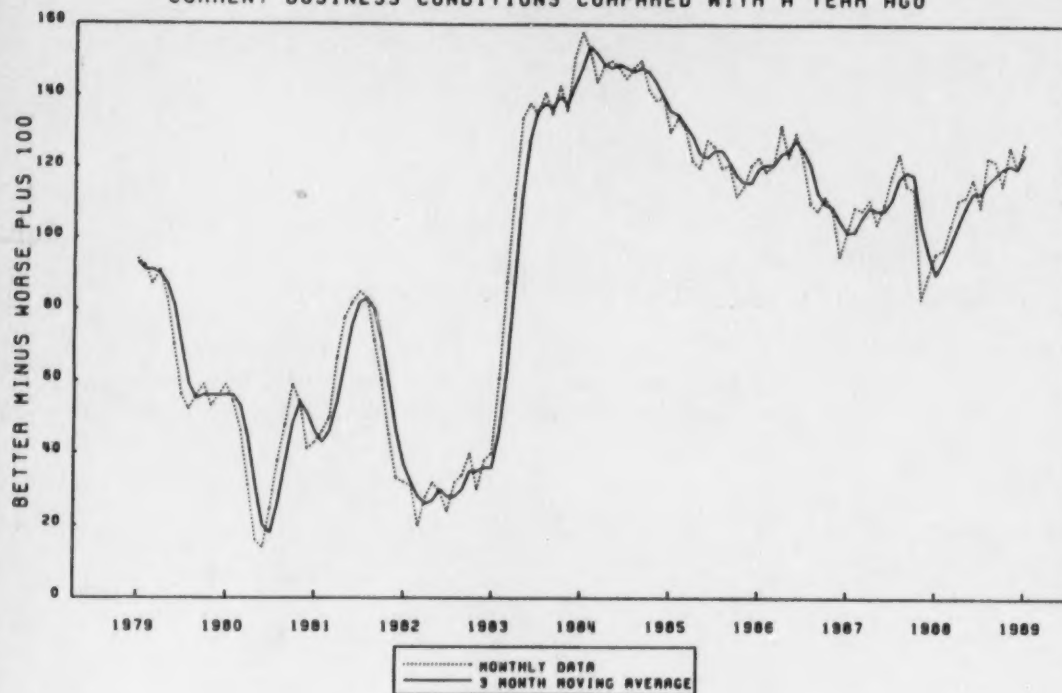


CHART 12 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

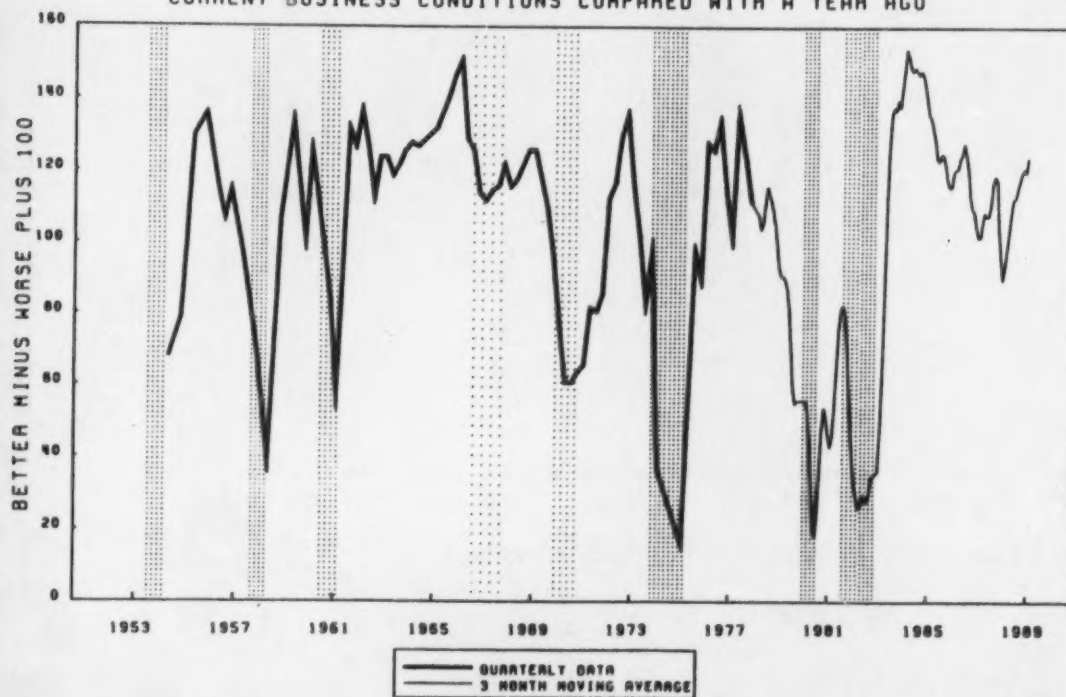


TABLE 12

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
BETTER NOW	40%	41%	40%	47%	47%	47%	45%	51%	50%	46%	54%	49%	53%
SAME	14	13	21	14	17	21	15	18	20	21	17	20	19
WORSE NOW	44	44	36	36	35	30	36	28	28	31	28	29	26
DK,NA	2	2	3	3	1	2	4	3	2	2	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 13 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

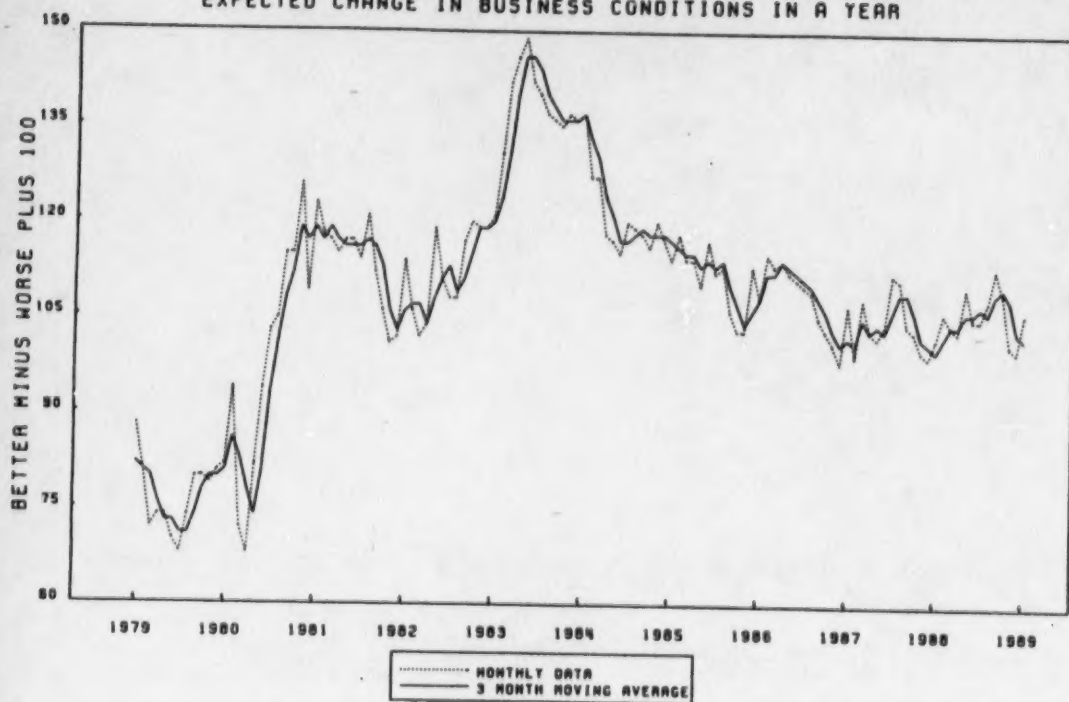


CHART 13 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

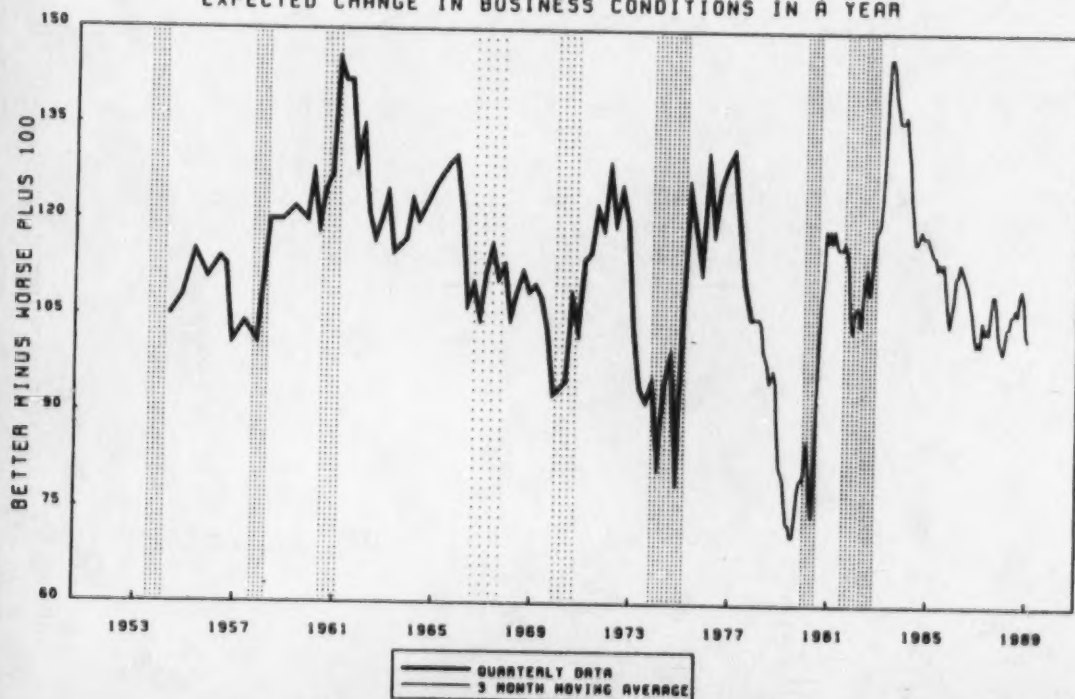


TABLE 13
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
BETTER	21%	23%	21%	21%	26%	24%	23%	24%	27%	23%	19%	19%	23%
SAME	58	58	58	57	53	54	53	54	55	59	60	59	56
WORSE	19	17	17	18	16	19	18	16	14	14	18	19	17
DK,NA	2	2	4	4	5	3	6	6	4	4	3	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 14 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

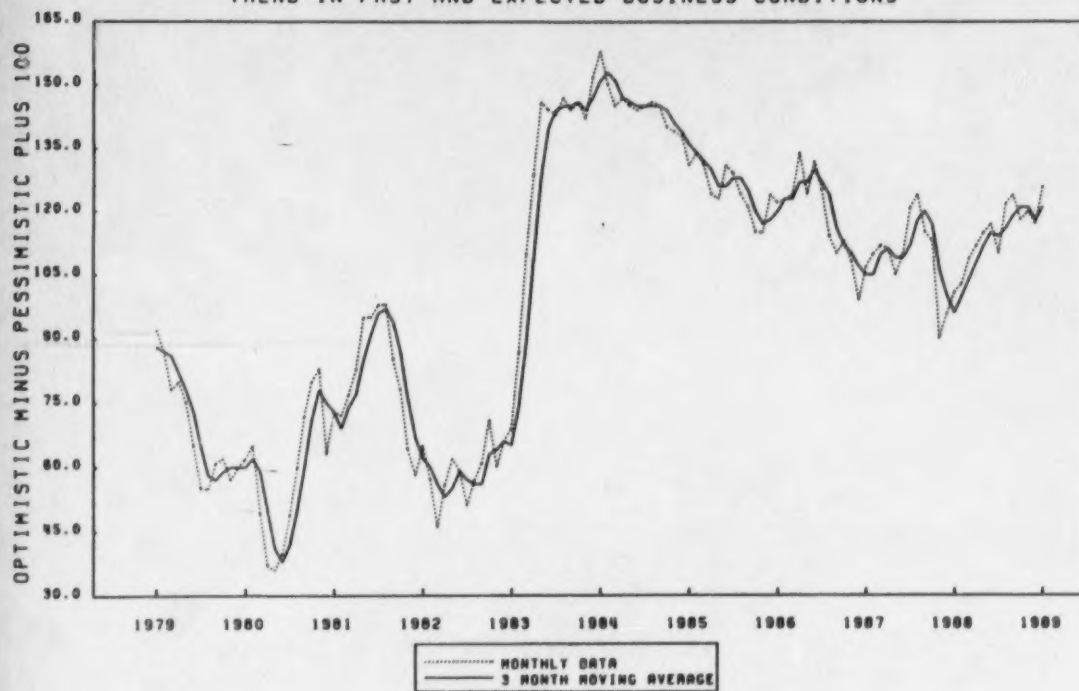


CHART 14 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

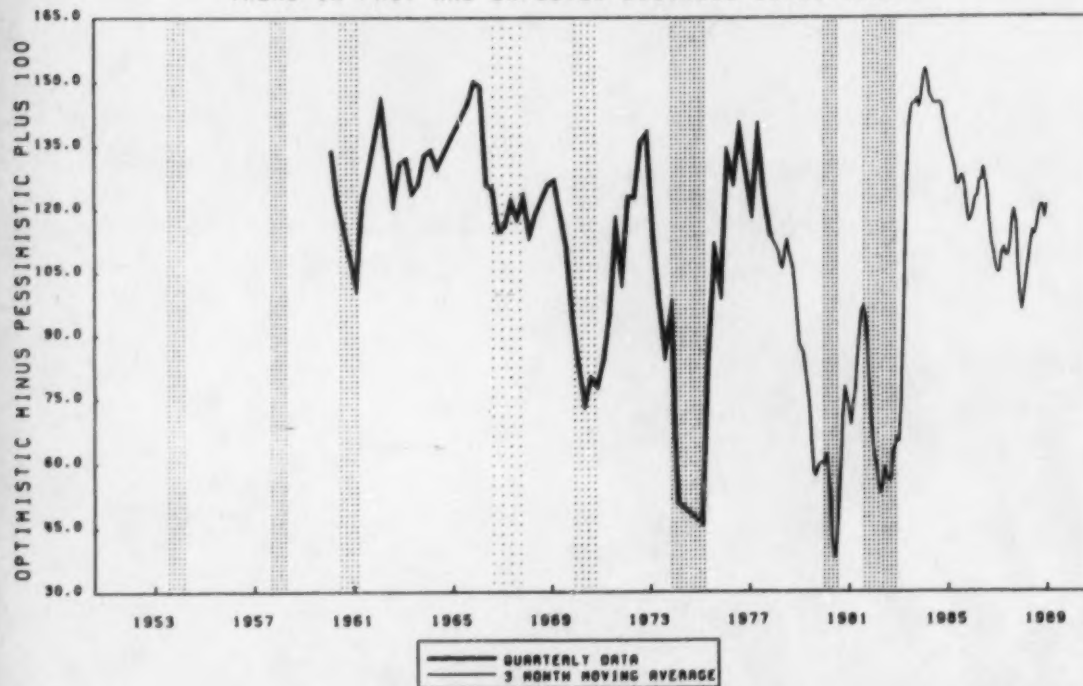


TABLE 14

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
TREND:													
Continuous increase (a)	11%	12%	10%	14%	16%	15%	12%	18%	18%	15%	13%	10%	16%
Intermittant increase (b)	29	27	30	30	29	30	28	29	31	31	35	35	34
Remain unchanged (c)	8	10	12	9	9	13	9	11	11	13	10	12	11
Intermittant decline (d)	25	24	21	20	20	18	20	17	19	19	21	19	16
Continuous decline (e)	14	12	10	12	10	10	10	8	6	9	7	9	8
Mixed change (f)	10	11	11	9	11	10	12	8	9	7	10	10	9
DK,NA	3	4	6	6	5	4	9	9	6	6	4	5	6
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

Combination of the responses to the questions on Tables 12 and 13.

- Key: (a) Better than a year ago/Better a year from now
 (b) Better/Same or Same/Better
 (c) Same/Same
 (d) Worse/Same or Same/Worse
 (e) Worse/Worse
 (f) Worse/Better or Better/Worse

CHART 15 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



CHART 15 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

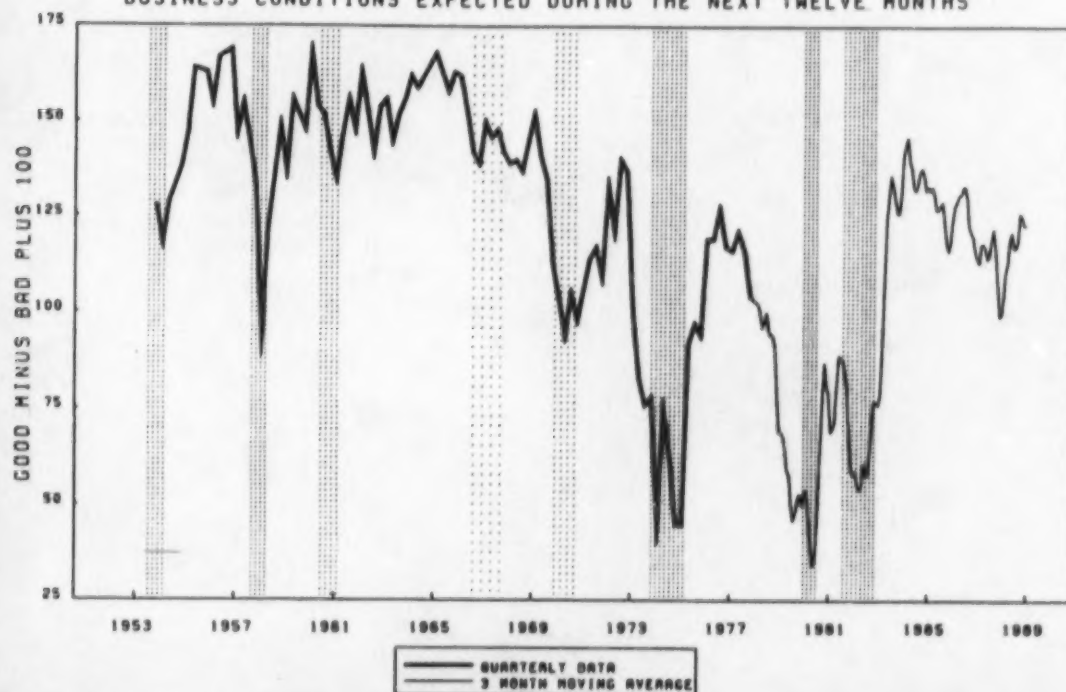


TABLE 15
BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
GOOD TIMES	47%	45%	47%	50%	54%	54%	44%	52%	53%	54%	<u>53%</u>	52%	56%
UNCERTAIN; GOOD & BAD	4	4	4	4	4	3	4	4	5	7	4	5	4
BAD TIMES	37	37	33	33	29	33	38	27	28	25	31	33	28
DON'T KNOW	7	7	7	9	8	6	9	11	9	8	7	5	7
NOT ASCERTAINED	5	7	9	4	5	4	5	6	5	6	5	5	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 16 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



CHART 16 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

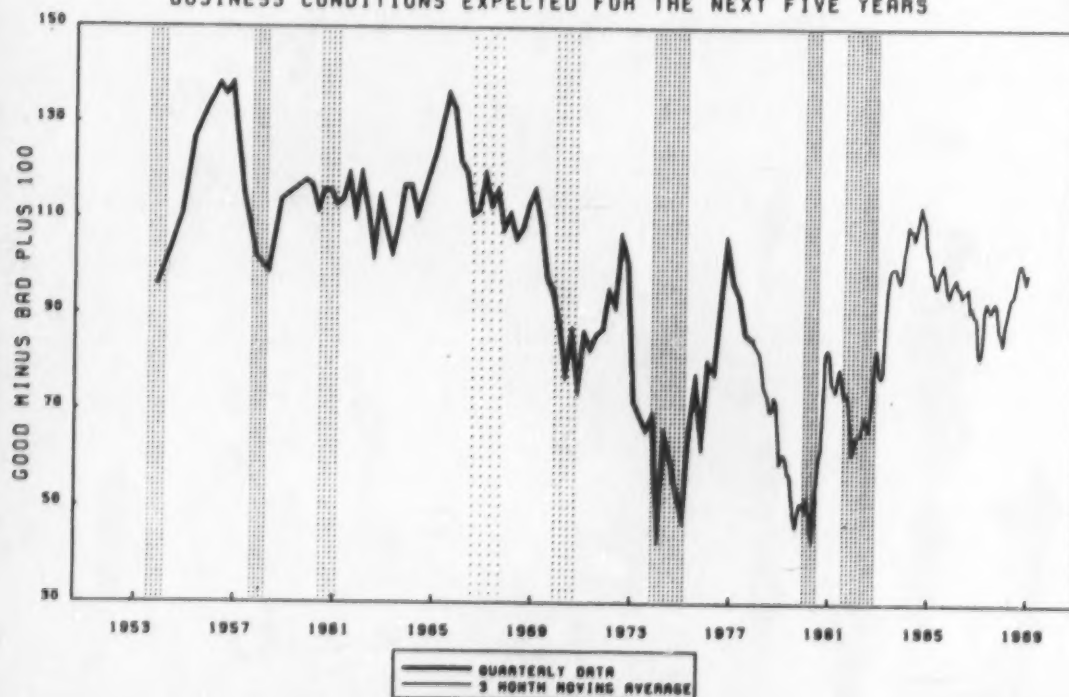


TABLE 16

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
GOOD TIMES	34%	35%	39%	36%	41%	36%	39%	43%	41%	40%	40%	41%	45%
UNCERTAIN; GOOD & BAD	12	15	14	15	13	16	11	16	17	12	14	12	9
BAD TIMES	50	45	43	47	43	41	43	38	39	43	43	43	42
NOT ASCERTAINED	4	5	4	2	3	7	7	3	3	5	3	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 17 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT



CHART 17 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

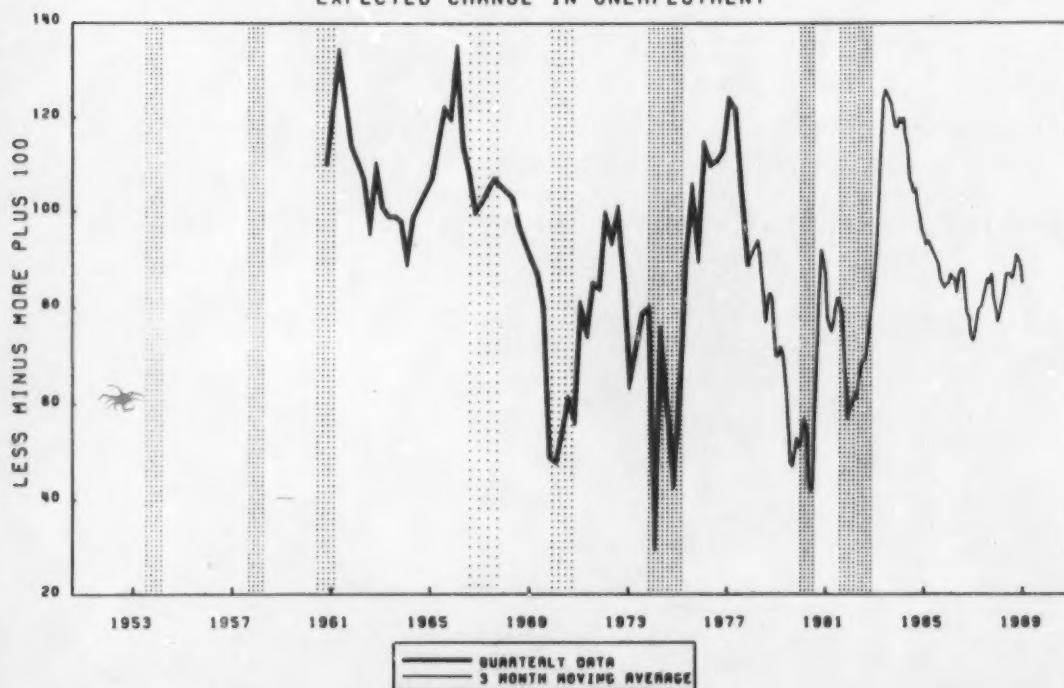


TABLE 17

EXPECTED CHANGE IN UNEMPLOYMENT

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
LESS	12%	12%	12%	14%	11%	15%	15%	15%	17%	16%	14%	15%	15%
SAME	54	53	58	56	67	53	54	53	52	60	57	55	50
MORE	33	33	28	28	21	31	29	27	27	22	27	28	34
DK,NA	1	2	2	2	1	1	2	5	4	2	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

CHART 18 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

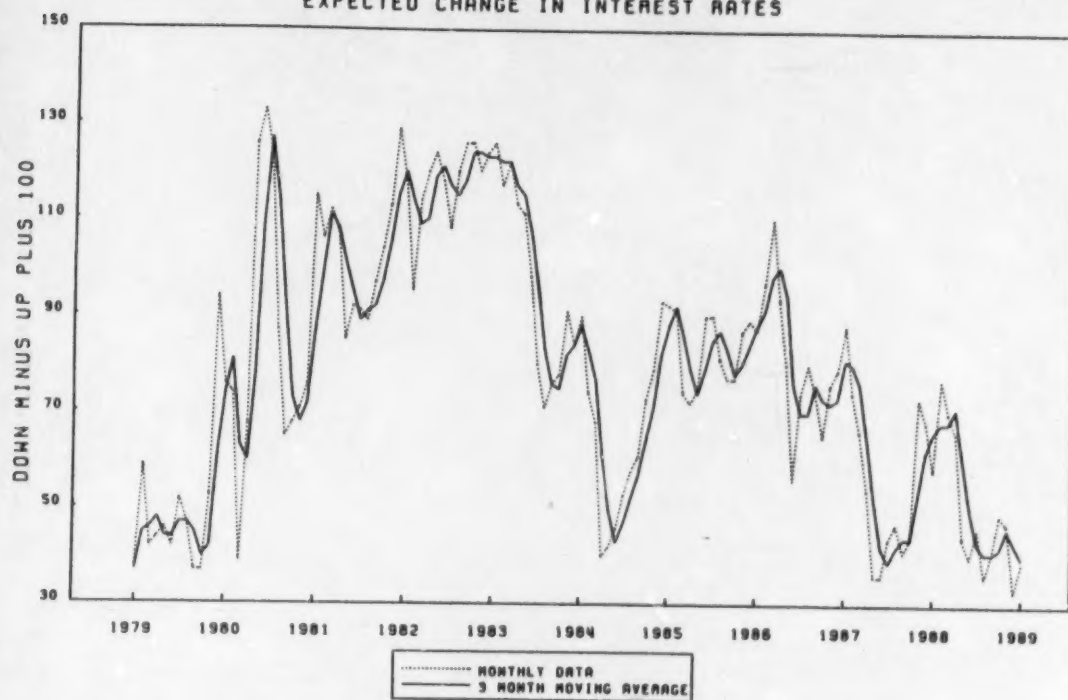


CHART 18 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

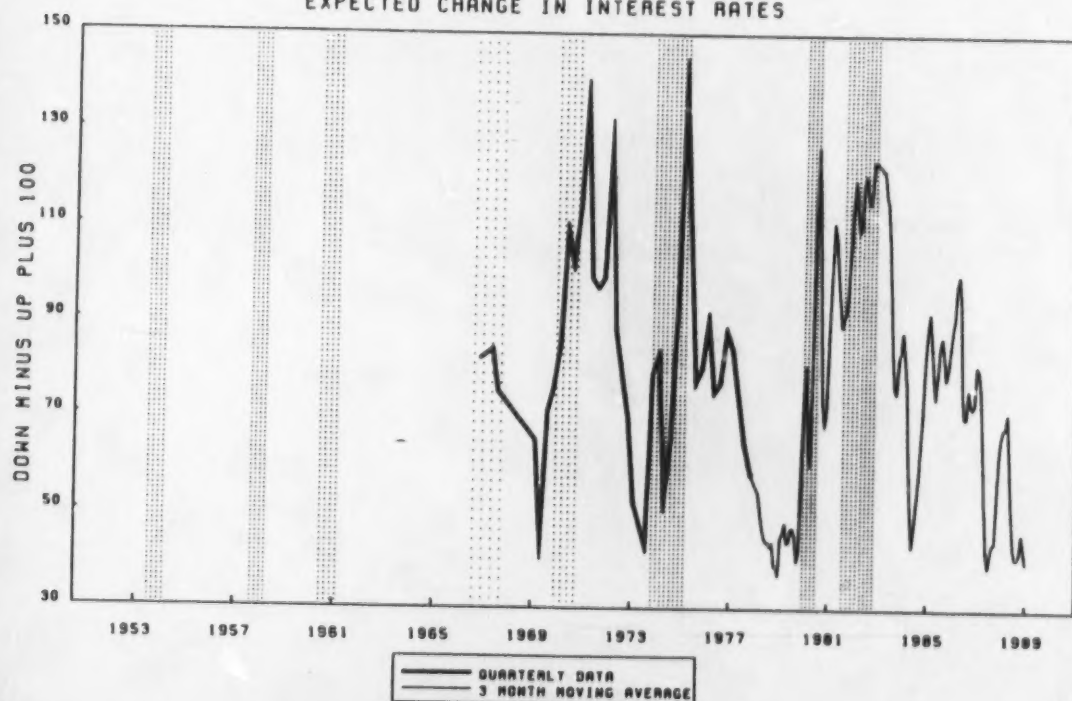


TABLE 18

EXPECTED CHANGE IN INTEREST RATES

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
GO UP	54%	44%	49%	48%	64%	67%	65%	71%	67%	62%	62%	74%	68%
STAY THE SAME	32	32	29	35	26	24	22	19	21	24	27	16	23
GO DOWN	12	21	19	14	8	7	11	7	8	11	9	7	7
DK,NA	2	3	3	3	2	2	2	3	4	3	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 13 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

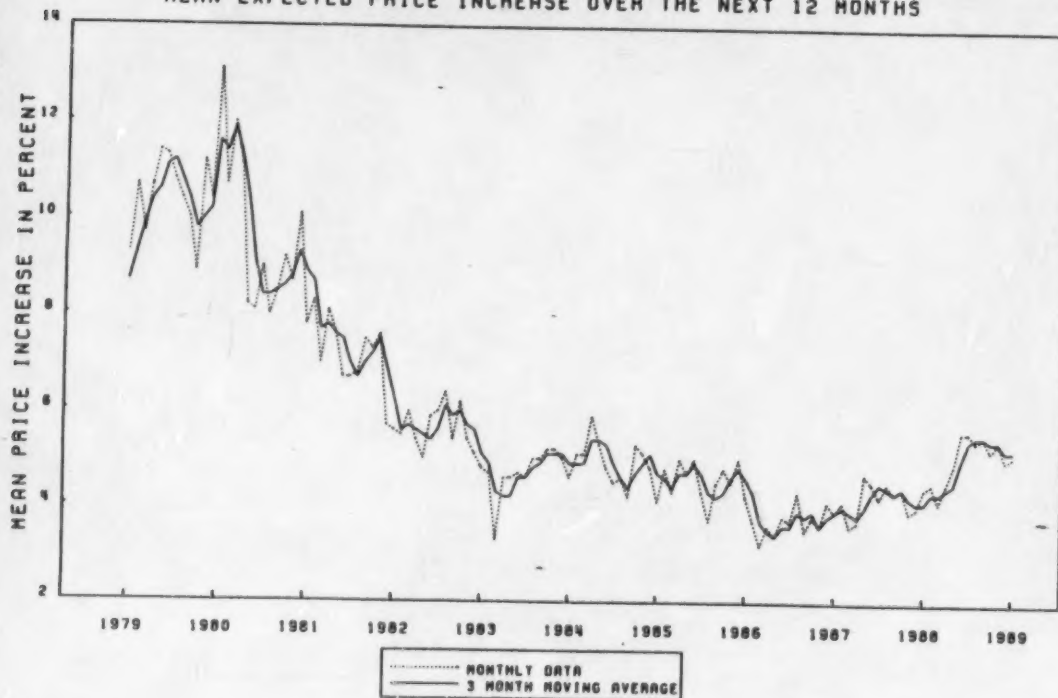


CHART 19 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

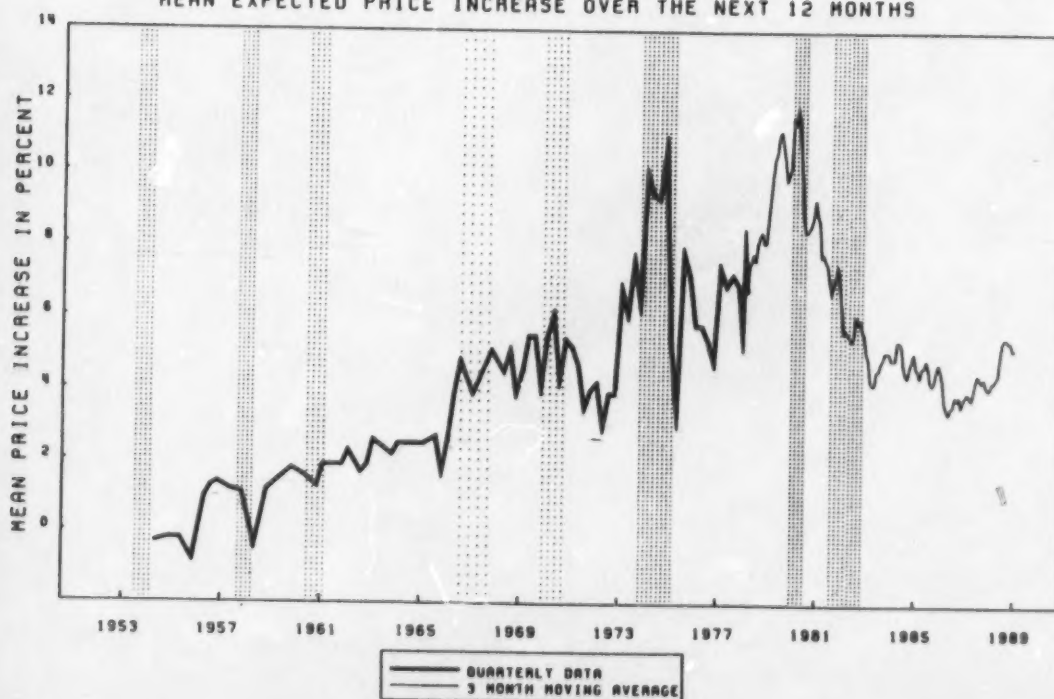


TABLE 19
EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
SAME OR DOWN	23%	17%	18%	14%	13%	13%	8%	8%	8%	9%	11%	10%	10%
WILL GO UP BY:													
1-2%	16	21	19	19	19	18	15	15	16	20	15	16	20
3-4%	21	23	24	25	26	20	23	23	25	21	28	26	23
5%	17	16	19	18	18	20	19	22	21	20	18	20	19
6-9%	6	6	6	7	7	8	12	9	10	8	8	8	9
10-14%	7	7	6	7	6	9	12	8	7	9	9	11	7
15% or more	6	5	3	4	6	6	6	6	6	5	5	4	6
DK how much up	3	4	5	5	4	5	5	8	6	6	5	4	5
DK,NA	1	1	*	1	1	1	*	1	1	2	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	4.4	4.5	4.1	4.5	4.9	5.6	5.6	5.4	5.5	5.2	5.4	5.0	5.1
VARIANCE	35	40	26	31	41	60	37	38	52	40	55	32	41
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

CHART 20 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



CHART 20 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

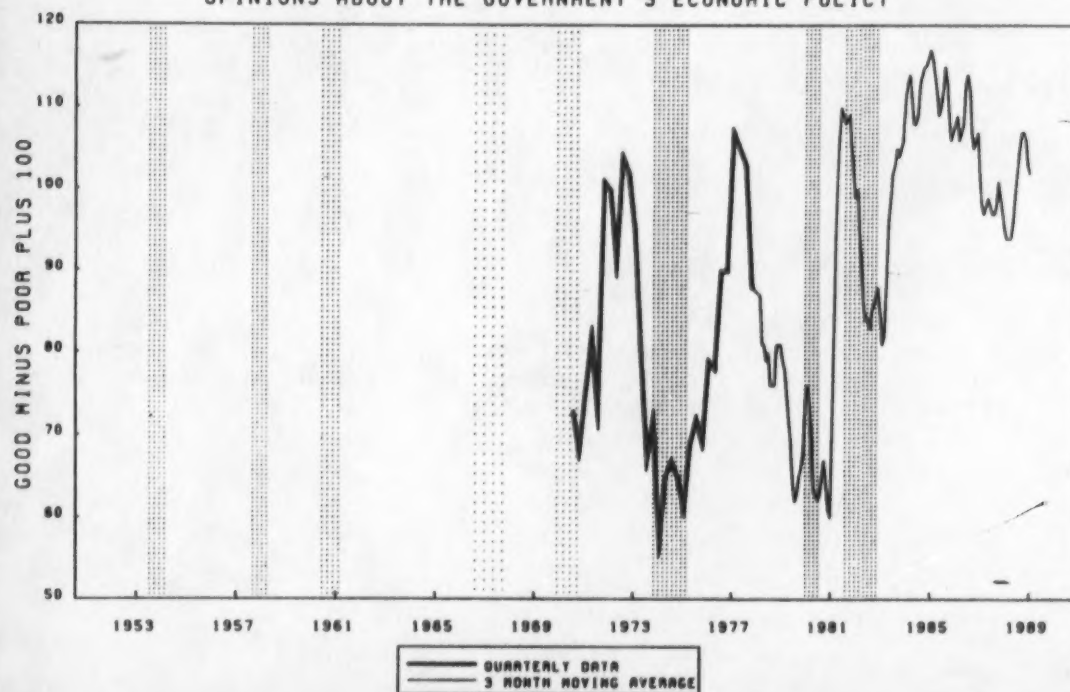


TABLE 20

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
A GOOD JOB	17%	18%	23%	18%	21%	23%	25%	28%	29%	26%	27%	20%	27%
ONLY FAIR	60	53	49	56	56	57	51	48	49	51	49	57	48
A POOR JOB	22	27	26	25	22	19	21	21	20	20	23	21	24
DK,NA	1	2	2	1	1	1	3	3	2	3	1	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 21 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

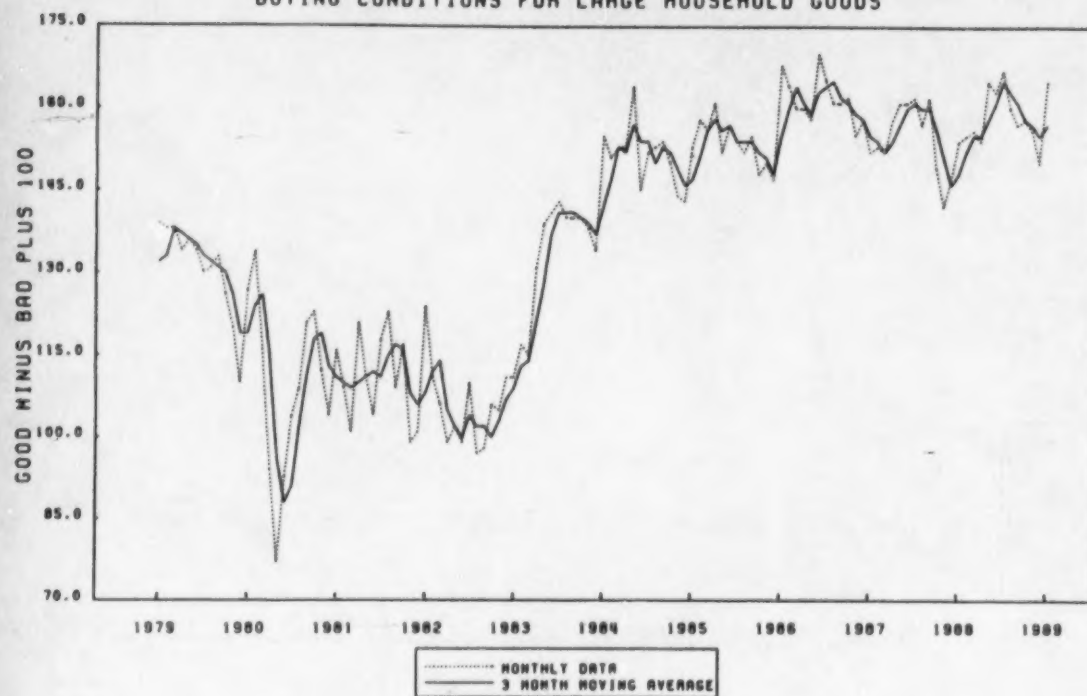


CHART 21 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

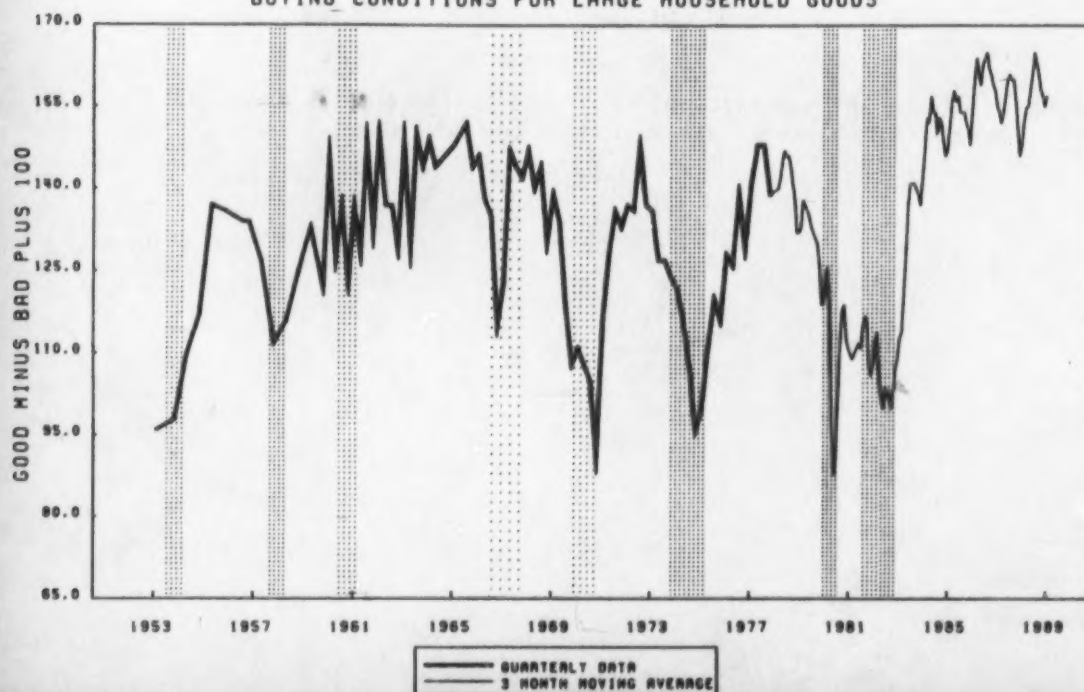


TABLE 21

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
GOOD TIME TO BUY	72%	72%	71%	73%	79%	74%	79%	74%	71%	73%	73%	70%	78%
UNCERTAIN, DEPENDS	10	11	14	8	7	15	9	12	15	12	10	10	9
BAD TIME TO BUY	18	17	15	19	14	11	12	14	14	15	17	20	13
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 22A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

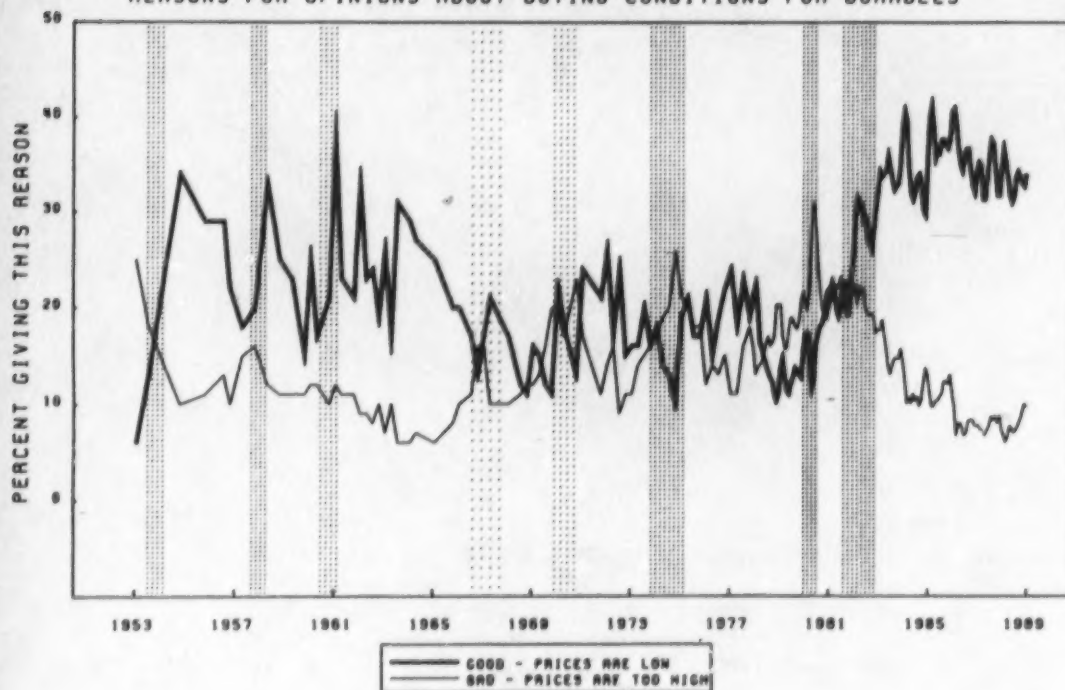


CHART 22B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

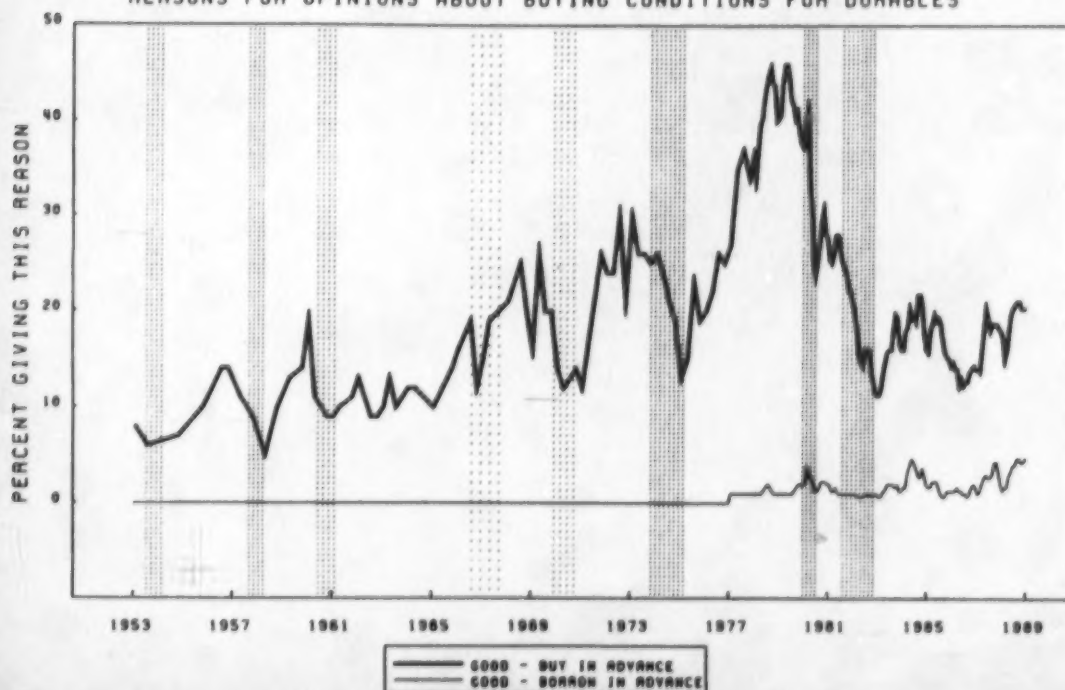


TABLE 22

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
GOOD TIME TO BUY:													
Prices are low; good buys available	37%	36%	33%	32%	30%	31%	34%	36%	33%	32%	34%	32%	36%
Prices won't come down; are going higher	16	14	15	19	20	20	21	21	21	21	19	21	21
Interest rates are low	6	8	10	9	6	8	7	7	7	7	8	4	5
Borrow-in-advance of rising interest rates	2	1	2	2	5	3	4	5	5	4	4	5	5
Times are good; prosperity	6	7	8	10	7	7	10	7	5	8	5	7	7
BAD TIME TO BUY:													
Prices are high	5	5	8	7	8	7	6	9	8	8	11	11	7
Interest rates are high; credit is tight	4	5	4	4	4	2	2	3	3	4	3	5	2
Times are bad; can't afford to buy	8	6	5	6	3	2	3	3	2	4	3	3	4
Bad times ahead; uncertain future	4	4	2	4	2	1	3	3	3	2	1	3	3

Responses to the query: "Why do you say so?" following the question on Table 21.

+ : May add to more than 100% due to multiple mentions.

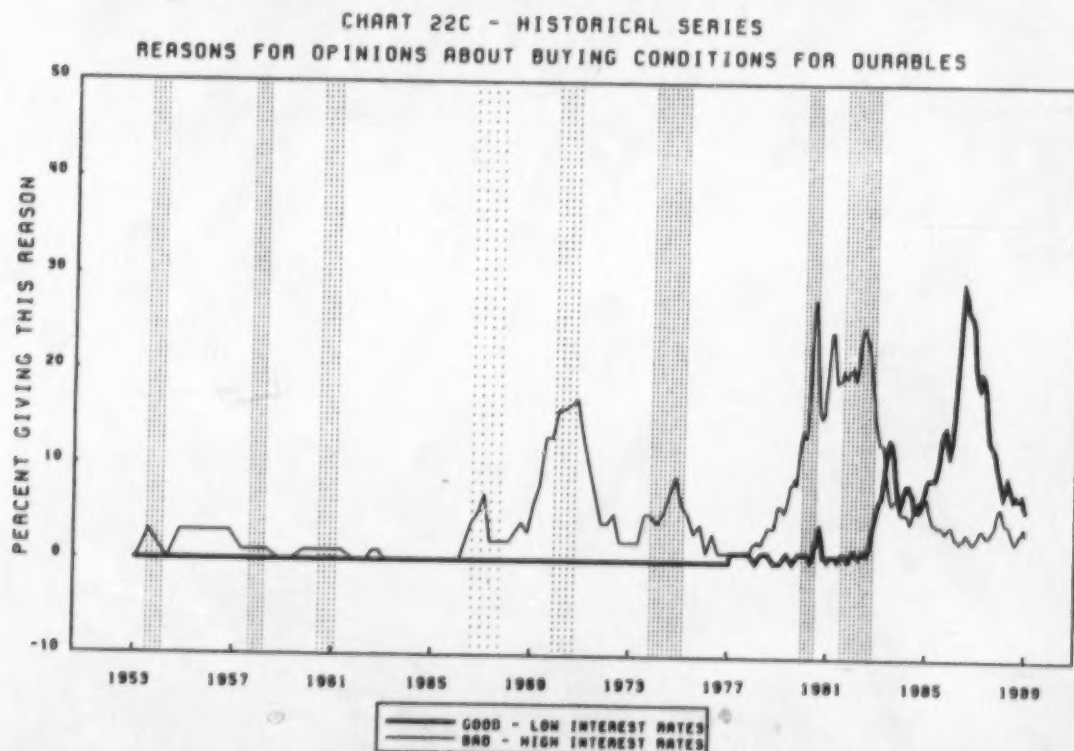


CHART 23 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

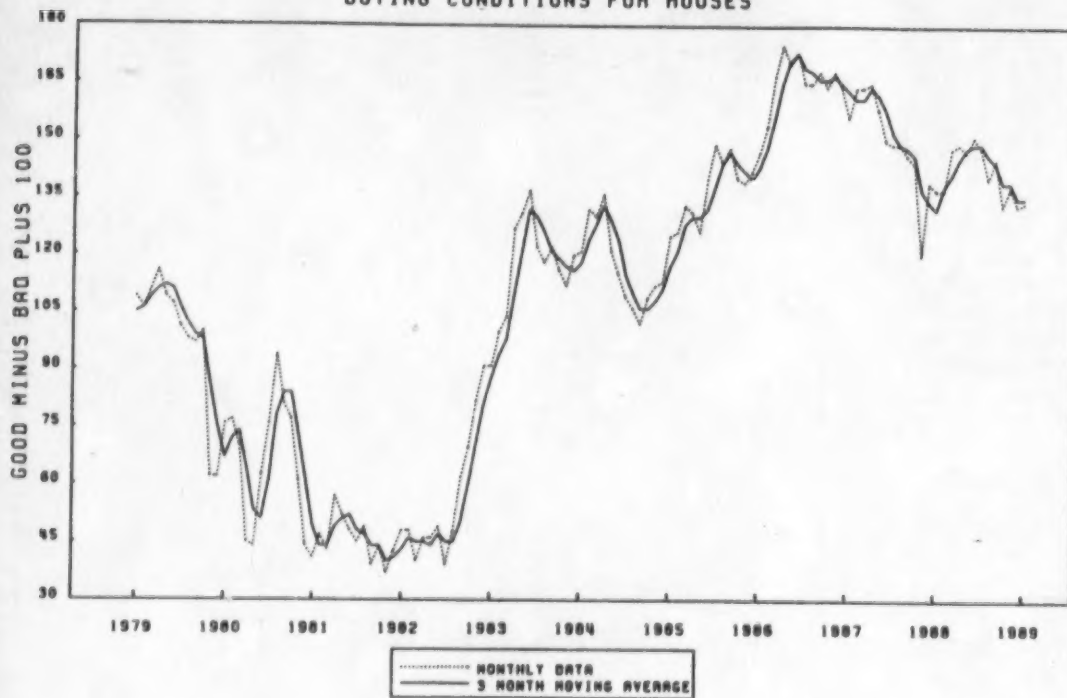


CHART 23 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

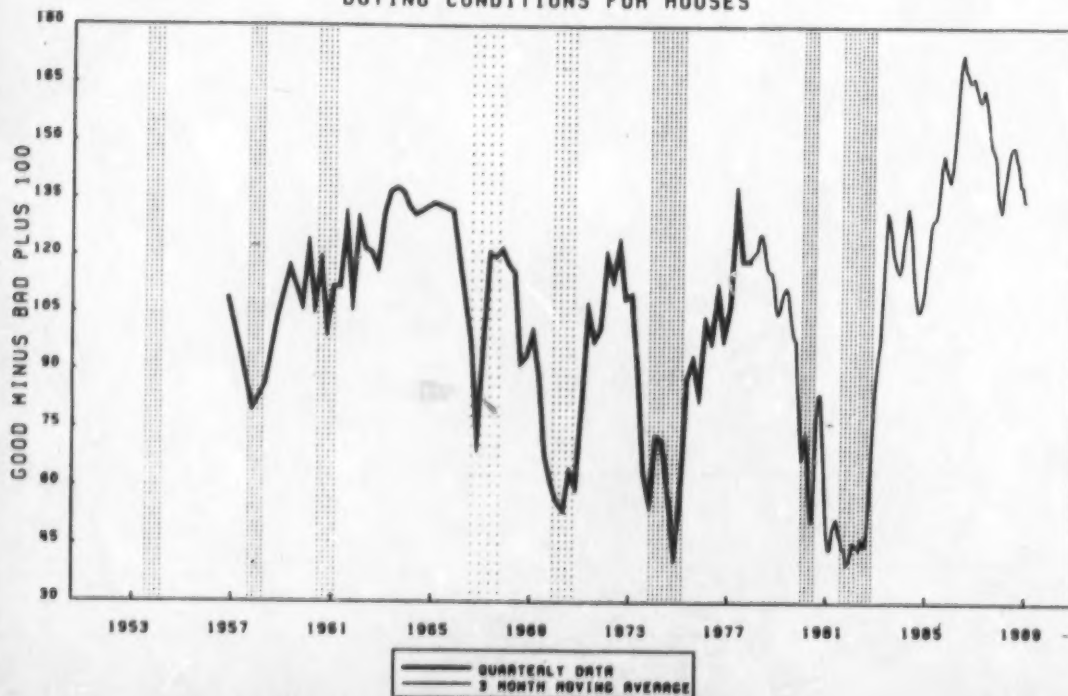


TABLE 23
BUYING CONDITIONS FOR HOUSES

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
GOOD TIME TO BUY	67%	67%	71%	72%	72%	73%	72%	67%	70%	64%	67%	63%	64%
UNCERTAIN, DEPENDS	3	3	6	5	3	5	4	6	5	5	4	7	6
BAD TIME TO BUY	30	30	23	23	25	22	24	27	25	31	29	30	30
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 24A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

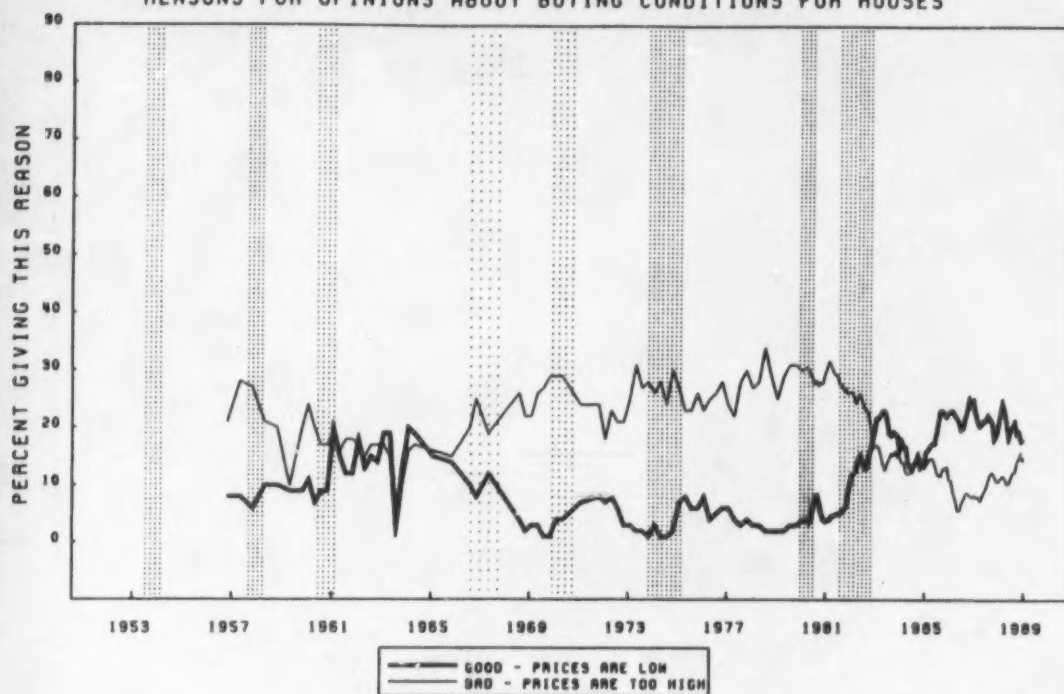


CHART 24B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

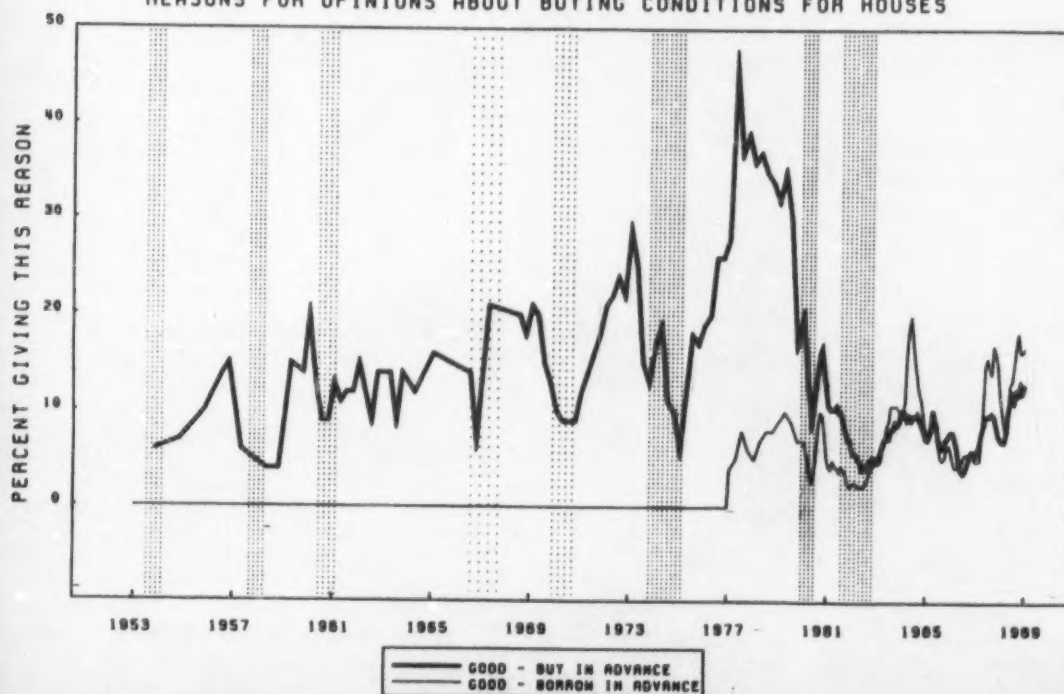


TABLE 24

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept. 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
GOOD TIME TO BUY:													
Prices are low; good buys available	24%	22%	27%	20%	16%	19%	24%	18%	21%	18%	19%	16%	19%
Prices won't come down; are going higher	7	5	9	10	12	12	12	10	15	11	13	13	13
Interest rates are low	35	44	47	40	37	34	30	28	22	25	33	19	22
Borrow-in-advance of rising interest rates	13	6	7	10	14	15	11	19	21	15	13	21	16
Good investment	7	4	6	7	10	6	7	9	9	9	10	8	7
Times are good; prosperity	3	4	4	4	5	5	6	5	4	4	3	3	4
BAD TIME TO BUY:													
Prices are high	11	13	11	10	10	11	13	13	11	18	15	14	14
Interest rates are high; credit is tight	13	15	9	10	12	10	11	14	14	16	12	18	16
Times are bad; can't afford to buy	10	7	8	8	6	4	4	4	4	5	6	3	5
Bad times ahead; uncertain future	5	4	3	4	3	3	2	3	2	3	3	5	4

Responses to the query: "Why do you say so?" following the question on Table 23.

+ : May add to more than 100% due to multiple mentions.

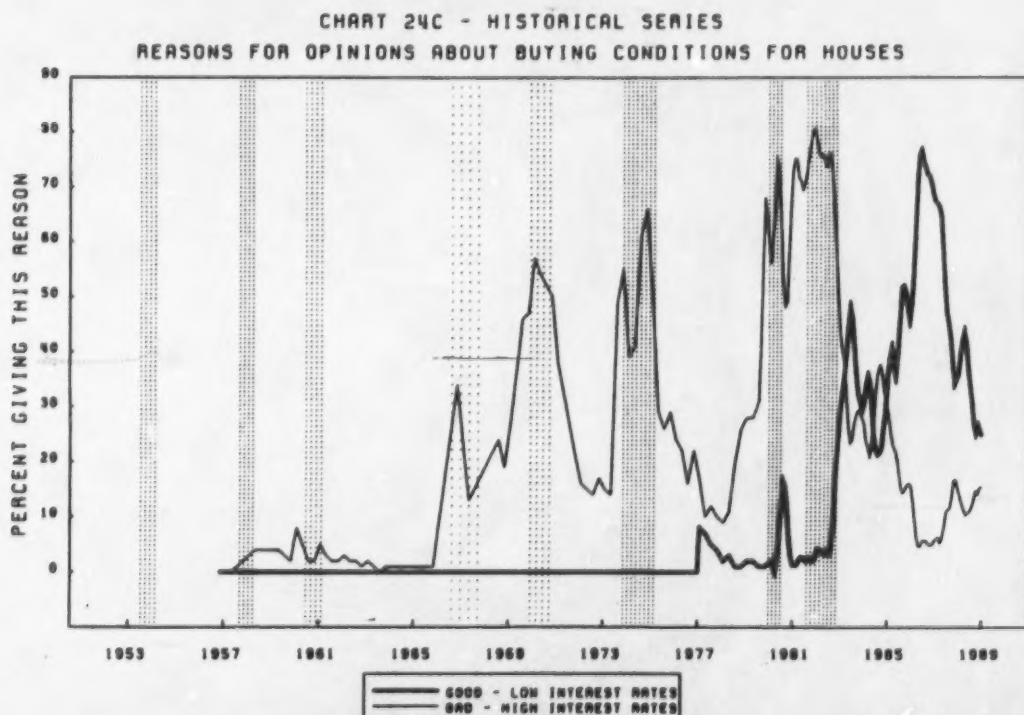


CHART 25 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

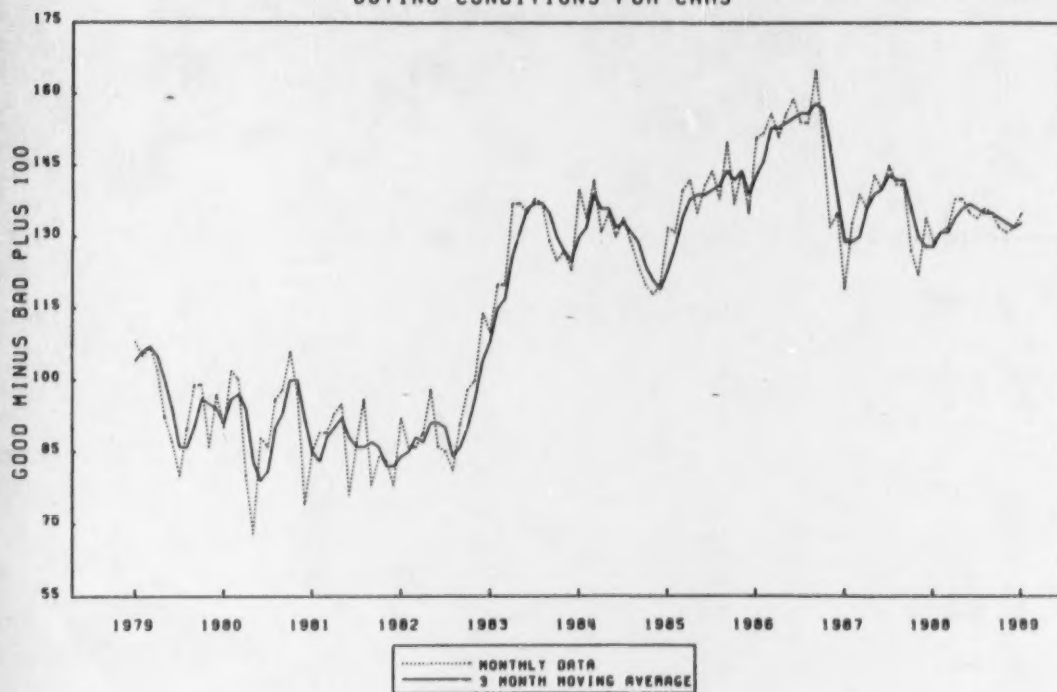


CHART 25 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

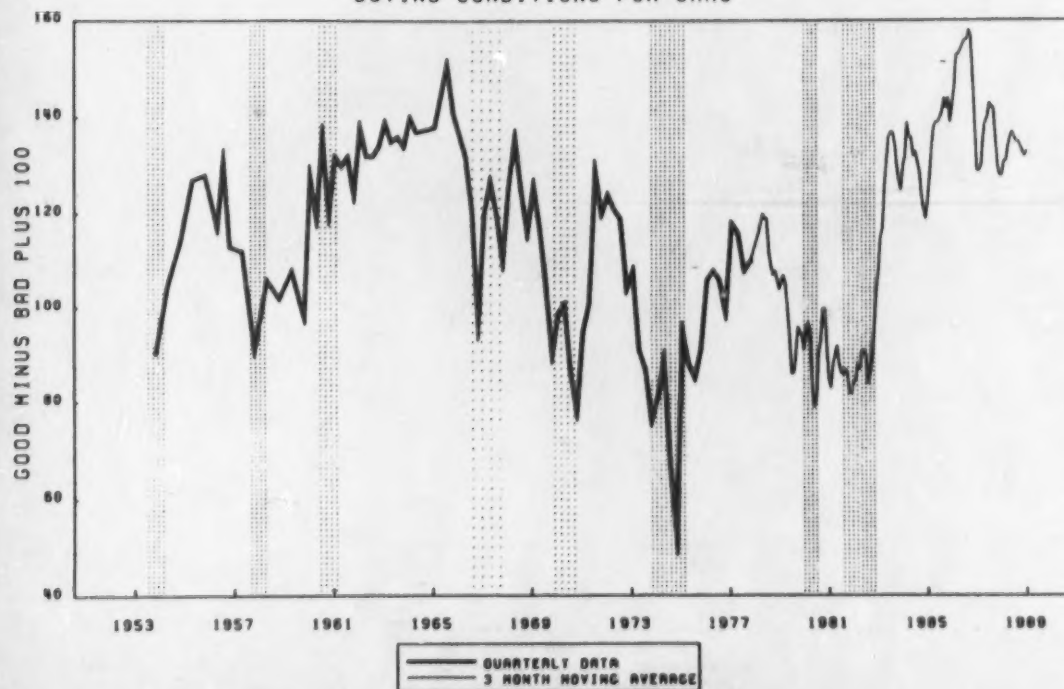


TABLE 25

BUYING CONDITIONS FOR CARS

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
GOOD TIME TO BUY	59%	59%	62%	63%	64%	62%	62%	62%	61%	60%	61%	61%	62%
UNCERTAIN; DEPENDS	11	13	8	12	10	11	10	12	13	12	9	10	11
BAD TIME TO BUY	30	28	30	25	26	27	28	26	26	28	30	29	27
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	502	500	500	504	500	500	501	500	500	501	508	500	501

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 26A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

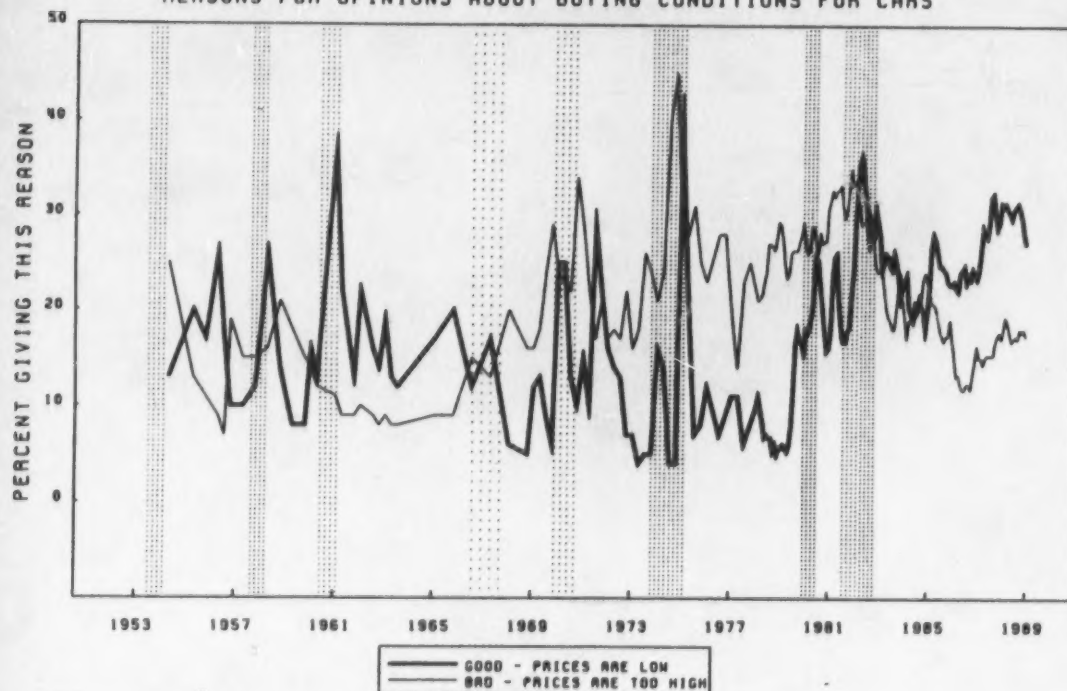


CHART 26B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

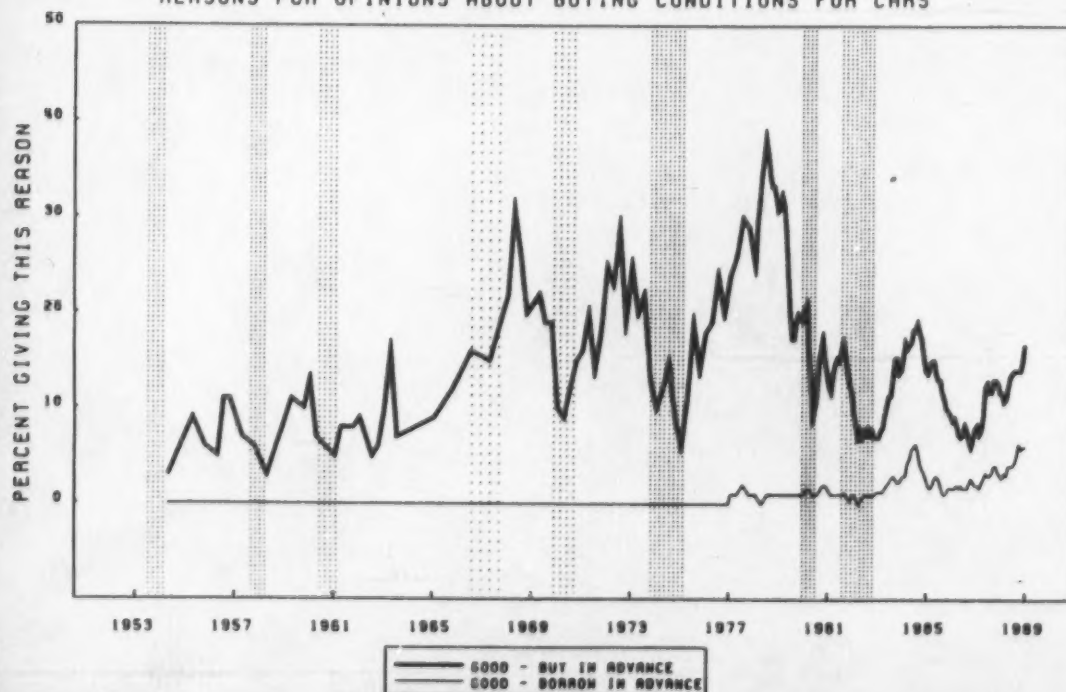


TABLE 26

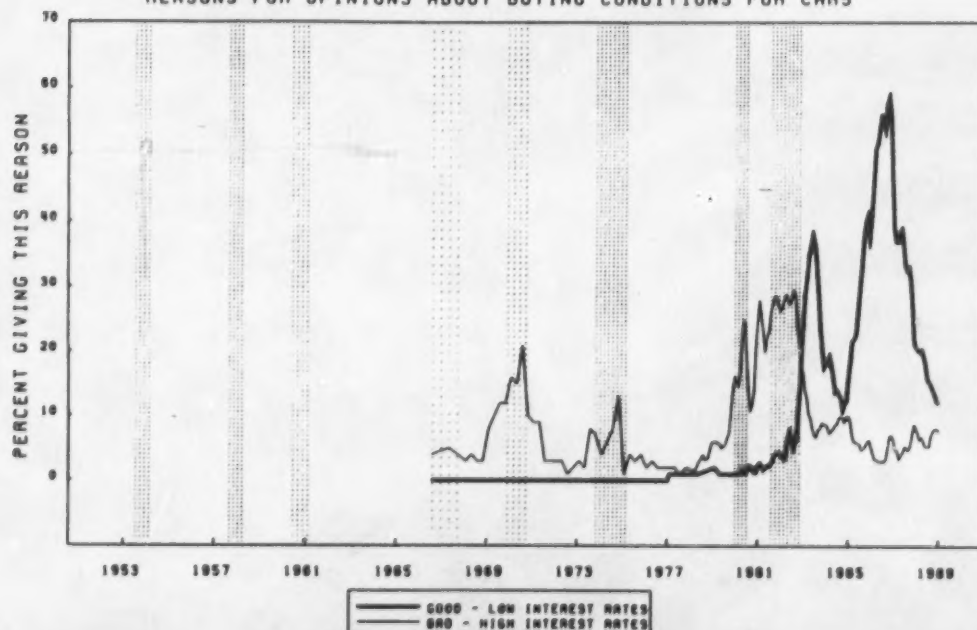
SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Jan. 1988	Feb. 1988	Mar. 1988	Apr. 1988	May 1988	June 1988	July 1988	Aug. 1988	Sept. 1988	Oct. 1988	Nov. 1988	Dec. 1988	Jan. 1989
GOOD TIME TO BUY:													
Prices are low; good buys available	32%	30%	32%	30%	29%	30%	33%	30%	31%	31%	27%	26%	28%
Prices won't come down; are going higher	11	10	11	12	14	14	13	15	14	13	15	17	18
Interest rates are low	20	20	20	21	17	16	14	16	14	12	14	11	11
Borrow-in-advance of rising interest rates	4	2	4	3	5	4	3	6	6	7	4	7	7
Times are good; prosperity	3	3	4	3	4	3	5	4	4	4	4	4	5
BAD TIME TO BUY:													
Prices are high	17	20	21	15	17	18	16	18	17	19	17	18	17
Interest rates are high; credit is tight	5	8	6	6	6	4	6	6	9	8	7	9	7
Times are bad; can't afford to buy	5	4	3	5	3	1	3	4	2	3	2	4	2
Bad times ahead; uncertain future	3	2	2	2	2	2	2	2	2	1	2	3	1
Poor selection; quality	4	3	3	2	2	3	3	2	3	5	3	2	4

Responses to the query: "Why do you say so?" following the question on Table 25.
+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 26C - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

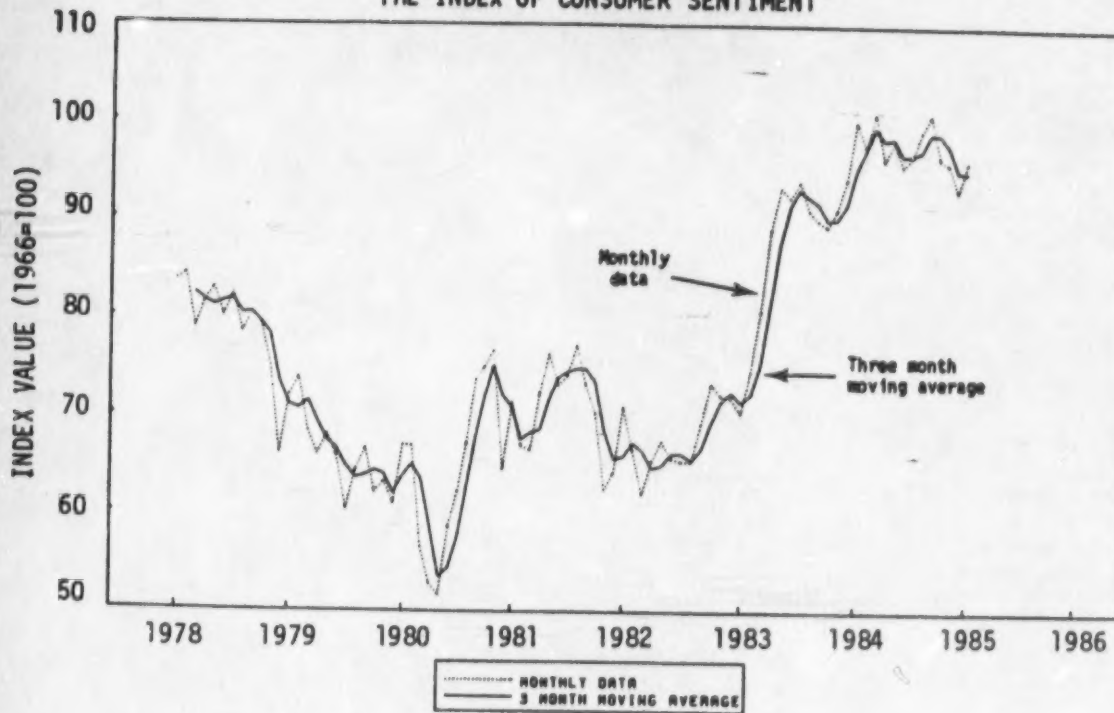
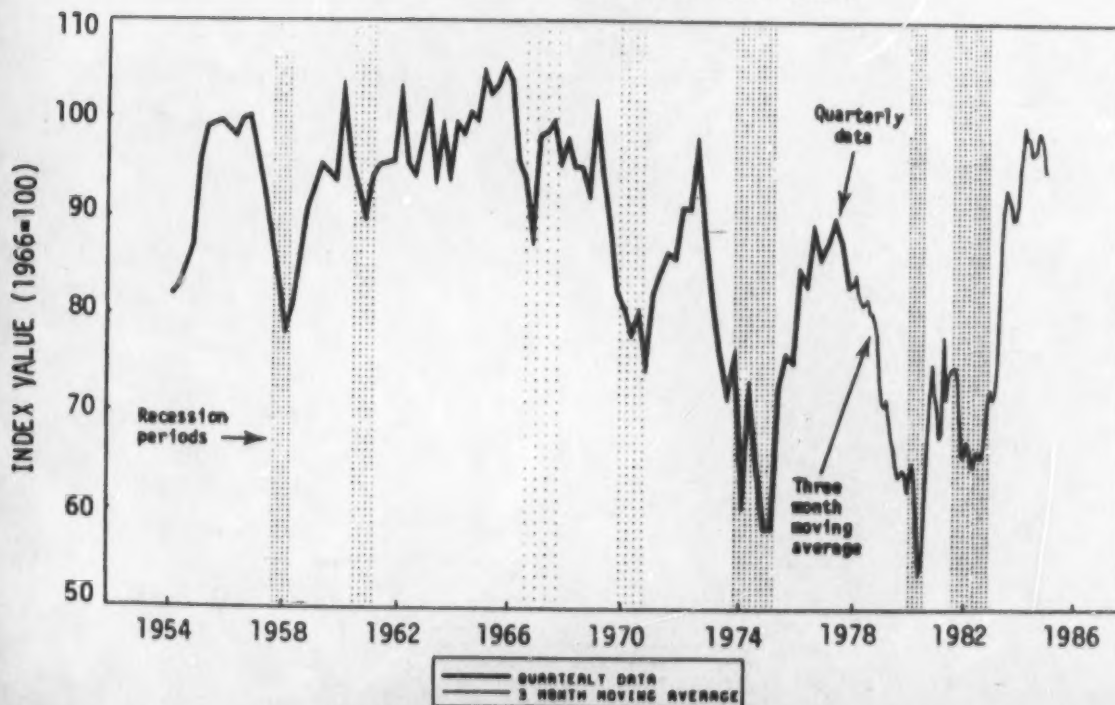


CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:	November 1948	-	October 1949
	July 1953	-	May 1954
	August 1957	-	April 1958
	April 1960	-	February 1961
	June 1966	-	November 1967*
	December 1969	-	November 1970
	November 1973	-	March 1975
	January 1980	-	July 1980
	July 1981	-	November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS^a OF SURVEY FINDINGS
(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews					
	500	700	1000	1400	2000	3000
50	4.9	4.2	3.6	3.2	2.8	2.5
30 or 70	4.5	3.8	3.3	2.9	2.5	2.3
20 or 80	3.9	3.4	2.9	2.6	2.2	2.0
10 or 90	2.9	2.5	2.2	1.9	1.7	1.5
5 or 95	2.1	1.8	1.6	1.4	1.2	1.1

^aThe figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.